

REVISOR'S REPORT

A NONSUBSTANTIVE REVISION
OF THE TEXAS RACING ACT

Submitted to the 85th Legislature
as part of the
Texas Legislative Council's
Statutory Revision Program

Austin, Texas

2017

FOREWORD

The Texas Legislative Council is required by Section 323.007, Government Code, to carry out a complete nonsubstantive revision of the Texas statutes. The process involves reclassifying and rearranging the statutes in a more logical order, eliminating repealed, invalid, duplicative, and other ineffective provisions while employing a format and numbering system that will accommodate future expansion of the law, and improving the draftsmanship of the statutes as practicable. The revision is intended to further the legislature's stated purpose of making the statutes "more accessible, understandable, and usable" without altering the sense, meaning, or effect of the law.

Under the classification scheme adopted by the Texas Legislative Council, the statutes will eventually consist of 27 codes, each governing a different subject matter. To date, the council has produced and the legislature has enacted the Agriculture Code, Alcoholic Beverage Code, Business & Commerce Code, Civil Practice and Remedies Code, Education Code, Election Code (a substantive revision), Estates Code, Finance Code, Government Code, Health and Safety Code, Human Resources Code, Insurance Code, Labor Code, Local Government Code, Natural Resources Code, Occupations Code, Parks and Wildlife Code, Property Code, Special District Local Laws Code, Tax Code (Title 1 of which was a substantive revision), Transportation Code, Utilities Code, and Water Code. Council staff also assisted the state bar in the Business Organizations Code, Penal Code, and Family Code projects, which were substantive revisions, and revised miscellaneous criminal procedure provisions as Title 2 of the Code of Criminal Procedure.

The revised Texas Racing Act that is the subject of this revision is placed into the Occupations Code enacted by the 76th Legislature, Regular Session, 1999, according to the structure established by that enactment. The Occupations Code is divided into titles, each of which contains statutes regulating particular occupations and practices. Title 13 encompasses statutes regulating occupations and practices related to sports, amusements, and entertainment. Each title of the Occupations Code is further organized into subtitles, and the revised Texas Racing Act, which contains statutes regulating horse racing and greyhound racing and the control of pari-mutuel wagering in connection with that racing, is codified as Subtitle A-1 of Title 13. Subtitles are further organized into chapters, subchapters, and sections. Sections are numbered decimally, with the number to the left of the decimal the same as the number of the chapter in which the section is included. Gaps have been left in chapter and section numbering to accommodate later expansions of the law.

This revisor's report reflects the enactment of Chapter 963 (S.B. 1969), Acts of the 85th Legislature, Regular Session, 2017, the Texas Legislative Council staff's revision of the Texas Racing Act. The revisor's report states the Revised Law, which is the text of the new law, and then provides the Source Law, which is the text of the former law from which the new law was derived. If further

explanation of either the revised law or the source law is required, a Revisor's Note is included after the source law. All substance of the source law is revised in the revised law or the reason for its omission is explained in a revisor's note.

Note that this revision does not take effect until April 1, 2019, to provide all affected persons a complete legislative cycle to review the revision more closely.

Because of the extensive reorganization of many statutes, and even provisions within a statute, it may be helpful to refer to the source law for a given chapter as a whole, so that it may be read in its former context, and to refer to the disposition table, which shows where the former statutes, as revised, appear in this code. The disposition table is printed as Appendix C to the revisor's report.

The revision required conforming amendments to several statutes. These amendments, also enacted into law by Chapter 963 (S.B. 1969), Acts of the 85th Legislature, Regular Session, 2017, are printed in Appendix A to the revisor's report. Appendix A also includes a section listing the laws repealed effective April 1, 2019, and a section stating the legislature's intent that the code be a nonsubstantive revision.

In reviewing this revisor's report, the reader should keep in mind that:

(1) Except as otherwise provided, Chapter 311, Government Code (Code Construction Act), applies to the code. That chapter sets out certain principles of statutory construction applicable to new codes and also provides some definitions. The chapter is printed as Appendix B to this report.

(2) The proposed code is written in modern American English. Where possible, the present tense is used, the active voice is used in preference to the passive voice, and the singular is used in preference to the plural.

(3) This is a nonsubstantive revision. The Texas Legislative Council staff's authority does not include improving the substance of the source law. The sole purpose of the revision is to compile all the relevant law, arrange it in a logical fashion, and rewrite it without altering its sense, meaning, or legal effect. If a particular source law statute is ambiguous and the ambiguity cannot be resolved without a potential substantive effect, the ambiguity is preserved.

The revision of the Texas Racing Act is under the direction of Gabe Brake, Legislative Counsel, of the Texas Legislative Council's legal division staff. Questions may be directed to Mr. Brake at P.O. Box 12128, Capitol Station, Austin, Texas 78711-2128, or by telephone at (512) 463-1151.

1	SUBTITLE A-1. TEXAS RACING ACT		
2	CHAPTER 2021. GENERAL PROVISIONS		
3	CHAPTER 2022. TEXAS RACING COMMISSION		
4	CHAPTER 2023. COMMISSION AND RACE MEETING OFFICIAL POWERS		
5	AND DUTIES		
6	CHAPTER 2024. POWERS AND DUTIES OF COMPTROLLER		
7	CHAPTER 2025. LICENSING		
8	CHAPTER 2026. RACETRACK OPERATION AND PREMISES		
9	CHAPTER 2027. WAGERING		
10	CHAPTER 2028. PARI-MUTUEL POOLS, PURSES, AND FEES		
11	CHAPTER 2029. ALLOCATION OF RACING DAYS		
12	CHAPTER 2030. TEXAS-BRED HORSES AND GREYHOUNDS		
13	CHAPTER 2031. TEXAS DERBIES		
14	CHAPTER 2032. LIVESTOCK SHOWS, EXHIBITS, AND FAIRS		
15	CHAPTER 2033. CRIMINAL AND ADMINISTRATIVE PENALTIES;		
16	DISCIPLINARY POWERS		
17	CHAPTER 2034. UNLAWFUL INFLUENCE ON RACING		
18	CHAPTER 2035. LOCAL OPTION ELECTION TO LEGALIZE		
19	PARI-MUTUEL WAGERING		
20	SUBTITLE A-1. TEXAS RACING ACT		
21	CHAPTER 2021. GENERAL PROVISIONS		
22	Sec. 2021.001.	SHORT TITLE	1
23	Sec. 2021.002.	PURPOSE	2
24	Sec. 2021.003.	GENERAL DEFINITIONS	2
25	Sec. 2021.004.	DEFINITIONS USED IN ADMINISTERING THIS	
26		SUBTITLE	21
27	Sec. 2021.005.	PRECEDENCE OF SUIT UNDER TITLE	23
28	Sec. 2021.006.	RELEASE OF CIVIL LIABILITY	24
29	Sec. 2021.007.	FEE OR PAYMENT IN LIEU OF OTHER STATE	
30		TAXES AND FEES	24
31	Sec. 2021.008.	SUNSET PROVISION	25
32	CHAPTER 2021. GENERAL PROVISIONS		
33	<u>Revised Law</u>		
34	Sec. 2021.001.	SHORT TITLE. This subtitle may be cited as	

1 the Texas Racing Act. (V.A.C.S. Art. 179e, Sec. 1.01.)

2 Source Law

3 Sec. 1.01. This Act may be cited as the Texas
4 Racing Act.

5 Revisor's Note

6 Section 1.01, V.A.C.S. Article 179e, refers to
7 "[t]his Act," meaning V.A.C.S. Article 179e.
8 Throughout this subtitle, the revised law substitutes
9 "this subtitle" for "this Act" because all of the
10 provisions of Article 179e are revised as provisions
11 in Subtitle A-1, Title 13, Occupations Code.

12 Revised Law

13 Sec. 2021.002. PURPOSE. The purpose of this subtitle is to
14 provide for the strict regulation of horse racing and greyhound
15 racing and the control of pari-mutuel wagering in connection with
16 that racing. (V.A.C.S. Art. 179e, Sec. 1.02.)

17 Source Law

18 Sec. 1.02. The purpose of this Act is to provide
19 for the strict regulation of horse racing and
20 greyhound racing and the control of pari-mutuel
21 wagering in connection with that racing.

22 Revised Law

23 Sec. 2021.003. GENERAL DEFINITIONS. In this subtitle:

24 (1) "Accredited Texas-bred horse" means a Texas-bred
25 horse that meets the accreditation requirements of the state horse
26 breed registry for that breed of horse.

27 (2) "Active license" means a racetrack license
28 designated by the commission as active.

29 (3) "Appaloosa horse" means a horse that is registered
30 by the Appaloosa Horse Club.

31 (4) "Applicant" means a person with a legal,
32 equitable, or beneficial interest in a license application.

33 (5) "Arabian horse" means a horse that is registered
34 by the Arabian Horse Association or by the Canadian Arabian Horse
35 Registry.

36 (6) "Breakage" means the odd cents by which the amount

1 payable on each dollar wagered exceeds a multiple of 10 cents,
2 except in a minus pool, in which the breakage must be in multiples
3 of five cents.

4 (7) "Child" means an individual younger than 16 years
5 of age.

6 (8) "Commission" means the Texas Racing Commission.

7 (9) "Concessionaire" means a person licensed by the
8 commission to sell refreshments or souvenirs at a racetrack.

9 (10) "Contraband" means:

10 (A) an item the possession of which is unlawful
11 under this subtitle, a commission rule, or other law;

12 (B) an item that might reasonably have the effect
13 of unnaturally depressing, stimulating, or exciting an animal
14 during a race in a manner contrary to this subtitle or a commission
15 rule, including a prohibited device or prohibited substance; or

16 (C) a document, including a credential or forged
17 ticket, possessed or used by an individual in violation of this
18 subtitle or a commission rule.

19 (11) "Credential" means any document indicating
20 authority or permission under this subtitle, including a license,
21 certificate, and identification card.

22 (12) "Cross-species simulcast signal" means a
23 simulcast signal of a horse race at a greyhound racetrack or a
24 simulcast signal of a greyhound race at a horse racetrack.

25 (13) "Enclosure" means all areas of a racetrack
26 association's grounds, including the parking area, to which
27 admission is ordinarily obtained only on payment of an admission
28 fee or presentation of an official credential.

29 (14) "Executive director" means the executive
30 director of the commission.

31 (15) "Greyhound" means a purebred greyhound dog
32 registered by the National Greyhound Association.

33 (16) "Greyhound racing" means any race in which two or
34 more greyhounds engage in a contest of speed or endurance or pursue

1 a mechanical lure.

2 (17) "Greyhound racing day" means a day on which a
3 racetrack association conducts greyhound racing. "One racing day"
4 means a period beginning at noon and ending at 2 a.m. the next
5 calendar day, other than a day on which a matinee performance is
6 conducted.

7 (18) "Horse race meeting" means the conducting of
8 horse races on a day or during a period of consecutive or
9 nonconsecutive days.

10 (19) "Horse racing day" means the 24-hour period
11 ending at 12 midnight.

12 (20) "Horsemen's organization" means an organization
13 recognized by the commission that:

14 (A) represents horse owners and trainers in
15 negotiating and contracting with racetrack associations on
16 subjects relating to racing; and

17 (B) represents and advocates the interests of
18 horse owners and trainers before administrative, legislative, and
19 judicial forums.

20 (21) "Inactive license" means a racetrack license
21 designated by the commission as inactive.

22 (22) "Judge" means a racing official with general
23 authority and supervision over:

24 (A) the conduct of a greyhound race meeting; and

25 (B) all license holders at a racetrack during a
26 greyhound race meeting.

27 (23) "Live pari-mutuel pool" means the total amount of
28 money wagered by patrons on the result of a particular live race or
29 combination of live races within the enclosure of the racetrack
30 association where the race is being run.

31 (24) "Maiden" means a horse that has never won a race
32 at a race meeting authorized by the commission or by another racing
33 jurisdiction.

34 (25) "Matinee performance" means any performance

1 starting between 10 a.m. and 5 p.m. on a day other than Sunday.

2 (26) "Minor" means an individual younger than 21 years
3 of age.

4 (27) "Multiple wagering" means wagering on two or more
5 animals in one race or on one or more animals in more than one race.
6 "Multiple two wagering" means wagering on two animals in one or more
7 races. "Multiple three wagering" means wagering on three or more
8 animals in one or more races.

9 (28) "National historic district" means a district
10 included in or eligible for inclusion in the National Register of
11 Historic Places under 54 U.S.C. Section 302101 et seq.

12 (29) "Nonprofit corporation" means a nonprofit
13 corporation governed by Chapter 22, Business Organizations Code,
14 that:

15 (A) does not distribute any of its income to its
16 members, officers, or governing body, other than as reasonable
17 compensation for services;

18 (B) has a governing body or officers elected by a
19 vote of members or by a vote of delegates elected by the members;
20 and

21 (C) has obtained an exemption under Section 501
22 of the Internal Revenue Code of 1986.

23 (30) "Outstanding ticket" means a pari-mutuel ticket
24 not presented for payment before the end of the horse racing day or
25 greyhound racing day for which the ticket was purchased.

26 (31) "Paint horse" means a horse that is registered by
27 the American Paint Horse Association.

28 (32) "Pari-mutuel pool" means the total amount of
29 money wagered by patrons on the result of a particular race or
30 combination of races, divided into separate mutuel pools for win,
31 place, show, or combinations.

32 (33) "Pari-mutuel voucher" means a bearer instrument,
33 issued by a pari-mutuel wagering machine, that represents money
34 owned by a wagering patron and held by a racetrack association,

1 including winnings from a pari-mutuel wager.

2 (34) "Pari-mutuel wagering" means the form of wagering
3 on the outcome of horse racing or greyhound racing in which persons
4 who wager purchase tickets of various denominations on an animal or
5 animals and all wagers for each race are pooled and held by the
6 racetrack association for distribution of the total amount, less
7 the deductions authorized by this subtitle, to holders of tickets
8 on the winning animals.

9 (35) "Performance" means the consecutive running of a
10 specified number of greyhound races as determined by the
11 commission.

12 (36) "Person" includes any individual or entity
13 capable of holding a legal or beneficial interest in property.

14 (37) "Prohibited device" means:

15 (A) a spur or an electrical or other device
16 prohibited by a commission rule regulating the unlawful influence
17 of a race; or

18 (B) a device specifically designed, made, or
19 adapted to influence or affect the outcome of a race in a manner
20 contrary to this subtitle or a commission rule.

21 (38) "Prohibited substance" means a drug, chemical, or
22 other substance that:

23 (A) in use or in intended use, is reasonably
24 capable of influencing or affecting the outcome of a race in a
25 manner contrary to this subtitle or a commission rule; and

26 (B) is prohibited by a commission rule regulating
27 the unlawful influence of a race.

28 (39) "Quarter horse" means a horse that is registered
29 by the American Quarter Horse Association.

30 (40) "Race" includes a live audio and visual signal of
31 a race.

32 (41) "Racetrack" means a facility licensed under this
33 subtitle for the conduct of pari-mutuel wagering on horse racing or
34 greyhound racing.

1 (42) "Racetrack association" means a person licensed
2 under this subtitle to conduct a horse race meeting or a greyhound
3 race meeting with pari-mutuel wagering.

4 (43) "Receiving location" means a racetrack
5 association in this state that has been allocated live and
6 simulcast race dates or a facility not located in this state that is
7 authorized to conduct wagering under the law of the jurisdiction in
8 which it is located.

9 (44) "Regular wagering" means wagering on a single
10 horse or greyhound in a single race. The term includes wagering on
11 the win pool, the place pool, or the show pool.

12 (45) "Sending track" means any licensed track for
13 horse or greyhound racing in this state or another state from which
14 a race is transmitted.

15 (46) "Simulcast" means the telecast or other
16 transmission of live audio and visual signals of a race,
17 transmitted from a sending track to a receiving location, for the
18 purpose of wagering conducted on the race at the receiving
19 location.

20 (47) "Simulcast pari-mutuel pool" means the total
21 amount of money wagered by patrons at a racetrack in this state on
22 the result of a particular simulcast race or combination of
23 simulcast races.

24 (48) "State horse breed registry" means a designated
25 association administering accredited Texas-bred horse requirements
26 for a specific breed of horses.

27 (49) "Steward" means a racing official with general
28 authority and supervision over:

- 29 (A) the conduct of a horse race meeting; and
30 (B) all license holders at a racetrack during a
31 horse race meeting.

32 (50) "Texas-bred horse" means a horse qualified under
33 commission rules that is:

- 34 (A) sired by a stallion standing in Texas at the

1 time of conception and foaled by a mare in Texas;

2 (B) foaled by a mare bred outside Texas and
3 brought into Texas to foal at any time in the mare's lifetime if the
4 mare is bred back to a stallion standing in Texas; or

5 (C) a Thoroughbred or Arabian horse foaled in
6 Texas by an accredited Texas-bred mare if the mare was bred outside
7 Texas and returned to Texas on or before August 15 of the calendar
8 year of conception.

9 (51) "Thoroughbred horse" means a horse that is
10 registered by the Jockey Club.

11 (52) "Thoroughbred racing" means the form of horse
12 racing in which Thoroughbred horses mounted by jockeys engage in a
13 race.

14 (53) "Touting" means an offense described by Section
15 2033.013 or a similar offense under the laws of another state.

16 (54) "Trainer" means a person who is licensed by the
17 commission to train horses or greyhounds.

18 (55) "Veterinarian" means a person licensed under
19 Chapter 801. (V.A.C.S. Art. 179e, Secs. 1.03(1), (2), (3), (6),
20 (7), (8), (9), (11), (13), (15), (17), (18), (19), (20), (21), (22),
21 (24), (25), (26), (35), (36), (42), (43), (45), (46), (47), (48),
22 (50), (51), (52), (53), (54), (57), (59), (60), (61), (62), (63),
23 (64), (65), (66), (68), (69), (70), (71), (72), (73), (74), (75),
24 (76), (77), (78), (79), (80), (81).)

25 Source Law

26 Sec. 1.03. In this Act:

27 (1) "Person" includes any individual or
28 entity capable of holding a legal or beneficial
29 interest in property.

30 (2) "Association" means a person licensed
31 under this Act to conduct a horse race meeting or a
32 greyhound race meeting with pari-mutuel wagering.

33 (3) "Commission" means the Texas Racing
34 Commission.

35 (6) "Horse race meeting" means the
36 conducting of horse races on a day or during a period
37 of consecutive or nonconsecutive days.

38 (7) "Thoroughbred horse" means a horse
39 that is registered by the Jockey Club.

40 (8) "Thoroughbred racing" means the form
41 of horse racing in which Thoroughbred horses mounted

1 by jockeys engage in a race.

2 (9) "Quarter horse" means a horse that is
3 registered by the American Quarter Horse Association.

4 (11) "Appaloosa horse" means a horse that
5 is registered by the Appaloosa Horse Club.

6 (13) "Arabian horse" means a horse that is
7 registered by the Arabian Horse Registry of America or
8 by the Canadian Arabian Horse Registry.

9 (15) "Paint horse" means a horse that is
10 registered by The American Paint Horse Association.

11 (17) "Enclosure" means all areas of a
12 racing association's grounds, including the parking
13 area, to which admission ordinarily can be obtained
14 only on payment of an admission fee or presentation of
15 official credentials.

16 (18) "Pari-mutuel wagering" means the form
17 of wagering on the outcome of greyhound or horse racing
18 in which those who wager purchase tickets of various
19 denominations on an animal or animals and all wagers
20 for each race are pooled and held by the racing
21 association for distribution of the total amount, less
22 the deductions authorized by this Act, to holders of
23 tickets on the winning animals.

24 (19) "Pari-mutuel pool" means the total
25 amount of money wagered by patrons on the result of a
26 particular race or combination of races, the total
27 being divided into separate mutuel pools for win,
28 place, show, or combinations.

29 (20) "Breakage" means the odd cents by
30 which the amount payable on each dollar wagered
31 exceeds a multiple of 10 cents, except in the event a
32 minus pool occurs, in which case the breakage shall be
33 in multiples of five cents.

34 (21) "Texas-bred horse" means a horse
35 qualified under the rules of the commission that is:

36 (A) sired by a stallion standing in
37 Texas at the time of conception and foaled by a mare in
38 Texas;

39 (B) foaled by a mare bred outside
40 Texas and brought into Texas to foal at any time in the
41 mare's lifetime if the mare is bred back to a stallion
42 standing in Texas; or

43 (C) a Thoroughbred or Arabian horse
44 foaled in Texas by an accredited Texas-bred mare if the
45 mare was bred outside Texas and returned to Texas on or
46 before August 15 of the calendar year of conception.

47 (22) "Accredited Texas-bred horse" means a
48 Texas-bred horse that meets the accreditation
49 requirements of the state breed registry of that breed
50 of horse.

51 (24) "State horse breed registry" means a
52 designated association administering accredited
53 Texas-bred requirements for its specific breed of
54 horses.

55 (25) "Racetrack" means a facility that is
56 licensed under this Act for the conduct of pari-mutuel
57 wagering on greyhound racing or horse racing.

58 (26) "Horse racing day" means the 24-hour
59 period ending at 12 midnight.

60 (35) "Steward" means a racing official
61 with general authority and supervision over:

62 (A) the conduct of a licensed race

1 meeting; and

2 (B) all licensees at a racetrack
3 during a race meeting.

4 (36) "Trainer" means a person who is
5 licensed by the commission to train racehorses or
6 greyhounds.

7 (42) "Veterinarian" means a person
8 licensed under The Veterinary Licensing Act (Article
9 7465a, Vernon's Texas Civil Statutes).

10 (43) "Concessionaire" means a person
11 licensed by the commission to sell refreshments or
12 souvenirs at a racetrack.

13 (45) "Regular wagering" means wagering on
14 a single horse or greyhound in a single race. The term
15 includes wagering on the win pool, the place pool, or
16 the show pool.

17 (46) "Multiple wagering" means wagering on
18 two or more animals in one race or on one or more
19 animals in more than one race. "Multiple two wagering"
20 means wagering on two animals in one or more races.
21 "Multiple three wagering" means wagering on three or
22 more animals in one or more races.

23 (47) "Greyhound" means a purebred
24 greyhound dog registered by the National Greyhound
25 Association.

26 (48) "Greyhound racing" means any race in
27 which two or more greyhounds engage in a contest of
28 speed or endurance or pursue a mechanical lure.

29 (50) "Greyhound racing days" means days on
30 which a permitted association conducts greyhound
31 racing. "One racing day" means a period commencing at
32 noon and ending at 2 a.m. the next calendar day, except
33 in the case of days on which there are matinee races.

34 (51) "Greyhound matinee race" means any
35 performance starting between 10 a.m. and 5 p.m. on any
36 day other than Sunday.

37 (52) "Performance" means the consecutive
38 running of a specified number of greyhound races as
39 determined by the commission.

40 (53) "Judge" means a racing official with
41 general authority and supervision over:

42 (A) the conduct of a licensed race
43 meeting; and

44 (B) all licensees at a racetrack
45 during a race meeting.

46 (54) "Nonprofit corporation" means a
47 corporation organized under Subdivision 7, Article
48 1302, Revised Statutes, or organized under the Texas
49 Non-Profit Corporation Act (Article 1396-1.01 et seq.,
50 Vernon's Texas Civil Statutes) that:

51 (A) does not distribute any of its
52 income to its members, officers, or governing body,
53 other than as reasonable compensation for services;

54 (B) has a governing body or officers
55 elected by a vote of members or by a vote of delegates
56 elected by the members; and

57 (C) has obtained an exemption under
58 Section 501 of the Internal Revenue Code (26 U.S.C.
59 Section 501).

60 (57) "National historic district" means a
61 district included in or eligible for inclusion in the
62 National Register of Historic Places created under the
63 National Historic Preservation Act, 16 U.S.C. Section
64 470 et seq.

1 (59) "Applicant" means a person with a
2 legal, equitable, or beneficial interest in a license
3 application.

4 (60) "Maiden" means a horse that has never
5 won a race at a race meeting authorized by the
6 commission or by another racing jurisdiction.

7 (61) "Simulcast" means the telecast or
8 other transmission of live audio and visual signals of
9 a race, transmitted from a sending track to a receiving
10 location, for the purpose of wagering conducted on the
11 race at the receiving location.

12 (62) "Live pari-mutuel pool" means the
13 total amount of money wagered by patrons on the result
14 of a particular live race or combination of live races
15 within the enclosure of the racetrack association
16 where the race is being run.

17 (63) "Simulcast pari-mutuel pool" means
18 the total amount of money wagered by patrons at a
19 licensed racetrack association in Texas on the result
20 of a particular simulcast race or combination of
21 simulcast races.

22 (64) "Receiving location" means a licensed
23 racetrack association in this state that has been
24 allocated live and simulcast race dates or a facility
25 not located in this state that is authorized to conduct
26 wagering under the law of the jurisdiction in which it
27 is located.

28 (65) "Credential" means any license,
29 certificate, identification card, or other document
30 indicating or representing authority or permission
31 under this Act.

32 (66) "Sending track" means any licensed
33 track for racing in this state or out-of-state from
34 which a race is transmitted.

35 (68) "Child" means a person younger than
36 16 years of age.

37 (69) "Minor" means a person younger than
38 21 years of age.

39 (70) "Contraband" means:

40 (A) any item or thing the possession
41 of which is unlawful under this Act, a commission rule,
42 or other law;

43 (B) any item or thing that might
44 reasonably have the effect of unnaturally depressing,
45 stimulating, or exciting an animal during a race in a
46 manner contrary to this Act or commission rule,
47 including a prohibited device or substance; or

48 (C) a document, including a
49 credential or forged ticket, possessed by an
50 individual or used by an individual in violation of
51 this Act or a commission rule.

52 (71) "Prohibited device" means:

53 (A) a spur or an electrical or other
54 device prohibited by a commission rule regulating the
55 unlawful influence of a race; or

56 (B) a device specifically designed,
57 made, or adapted to influence or affect the outcome of
58 a race in a manner contrary to this Act or a commission
59 rule.

60 (72) "Prohibited substance" means a drug,
61 chemical, or other substance that:

62 (A) in its use or intended use, is
63 reasonably capable of influencing or affecting the
64 outcome of a race in a manner contrary to this Act or a
65 commission rule; and

66 (B) is prohibited by a commission

1 rule regulating the unlawful influence of a race.

2 (73) "Unlawful touting" means an offense
3 described by Section 14.01 of this Act or a similar
4 offense under the laws of another state.

5 (74) "Race" includes a live audio and
6 visual signal of a race.

7 (75) "Outstanding ticket" means a
8 pari-mutuel ticket not presented for payment before
9 the end of the greyhound racing or horse racing day for
10 which the ticket was purchased.

11 (76) "Pari-mutuel voucher" means a bearer
12 instrument issued by a pari-mutuel wagering machine
13 that represents money owned by a wagering patron and
14 held by an association, including winnings from a
15 pari-mutuel wager.

16 (77) "Horsemen's organization" means an
17 organization recognized by the commission that
18 represents horse owners and trainers in negotiating
19 and contracting with associations on subjects relating
20 to racing and in representing and advocating the
21 interests of horse owners and trainers before
22 administrative, legislative, and judicial forums.

23 (78) "Cross-species simulcast signal"
24 means a simulcast signal of a horse race at a greyhound
25 racetrack facility or a simulcast signal of a
26 greyhound race at a horse racetrack facility.

27 (79) "Executive director" means the
28 executive secretary of the Texas Racing Commission.

29 (80) "Active license" means a racetrack
30 license designated by the commission as active.

31 (81) "Inactive license" means a racetrack
32 license designated by the commission as inactive.

33 Revisor's Note

34 (1) Section 1.03(22), V.A.C.S. Article 179e,
35 revised in this chapter as Section 2021.003(1), refers
36 to the "state breed registry." The revised law
37 substitutes "state horse breed registry" for "state
38 breed registry" for clarity and consistency of
39 terminology used in the revised subtitle and because
40 "state horse breed registry" is the defined term under
41 Section 1.03(24), V.A.C.S. Article 179e, revised in
42 this chapter as Section 2021.003(48).

43 (2) Section 1.03(13), V.A.C.S. Article 179e,
44 revised in this chapter as Section 2021.003(5), refers
45 to the "Arabian Horse Registry of America," which
46 merged with the International Arabian Horse
47 Association in 2003 to form the Arabian Horse
48 Association. The revised law updates the reference to
49 that organization accordingly.

50 (3) Section 1.03(68), V.A.C.S. Article 179e,

1 revised in this chapter as Section 2021.003(7), refers
2 to a "person younger than 16 years of age." The revised
3 law substitutes "individual" for "person" for clarity
4 and consistency because, in context, it is clear that
5 the referenced person is an individual and not an
6 entity described by the definition of "person"
7 provided by Section 1.03(1), V.A.C.S. Article 179e,
8 revised in this chapter as Section 2021.003(36).

9 (4) Section 1.03(70), V.A.C.S. Article 179e,
10 revised in this chapter as Section 2021.003(10),
11 refers to "any item or thing." The revised law omits
12 the term "thing" as redundant because "thing" is
13 included in the meaning of "item."

14 (5) Section 1.03(70), V.A.C.S. Article 179e,
15 revised in this chapter as Section 2021.003(10),
16 refers to a "prohibited device or substance." The
17 revised law substitutes "prohibited substance" for
18 "substance" for clarity and consistency in the
19 terminology used in the chapter and because
20 "prohibited substance" is the defined term under
21 Section 1.03(72), V.A.C.S. Article 179e, revised in
22 this chapter as Section 2021.003(38).

23 (6) Section 1.03(65), V.A.C.S. Article 179e,
24 revised in this chapter as Section 2021.003(11),
25 refers to a document "indicating or representing
26 authority." The revised law omits the term
27 "representing" because, in context, "representing" is
28 included in the meaning of "indicating."

29 (7) Section 1.03(17), V.A.C.S. Article 179e,
30 revised in this chapter as Section 2021.003(13),
31 refers to a "racing association," meaning the term
32 defined by Section 1.03(2), V.A.C.S. Article 179e,
33 revised in this chapter as Section 2021.003(42). The
34 revised law substitutes "racetrack association" as the

1 defined term for the reasons stated in Revisor's Note
2 (20) to this section. Throughout this chapter, the
3 revised law is drafted accordingly.

4 (8) Section 1.03(79), V.A.C.S. Article 179e,
5 revised in this chapter as Section 2021.003(14),
6 refers to the "Texas Racing Commission." Throughout
7 this subtitle, the revised law substitutes
8 "commission" for "Texas Racing Commission" for clarity
9 and consistency in the terminology used in the chapter
10 and because "commission" is the defined term under
11 Section 1.03(3), V.A.C.S. Article 179e, revised in
12 this chapter as Section 2021.003(8).

13 (9) Section 1.03(5), V.A.C.S. Article 179e,
14 defines the term "executive secretary" as the
15 executive secretary of the commission. Section
16 1.03(79), V.A.C.S. Article 179e, revised in this
17 chapter as Section 2021.003(14), defines the term
18 "executive director" as the executive secretary of the
19 commission, and Section 2.12(a-1), V.A.C.S. Article
20 179e, states that the "commission and the executive
21 secretary may use the title 'executive director' for
22 any purpose in referring to the office of executive
23 secretary." Throughout this subtitle, the revised law
24 substitutes "executive director" for "executive
25 secretary" because the terms are synonymous, the use
26 of "executive director" is authorized under Section
27 2.12(a-1), and in practice "executive director" is the
28 preferred term. Accordingly, the revised law omits
29 the definition of "executive secretary" as
30 unnecessary. The omitted definition reads:

31 (5) "Executive secretary" means
32 the executive secretary of the Texas Racing
33 Commission.

34 (10) Section 1.03(50), V.A.C.S. Article 179e,
35 revised in this chapter as Section 2021.003(17),

1 defines the term "greyhound racing days." The revised
2 law substitutes "greyhound racing day" for "greyhound
3 racing days" because Section 311.012(b), Government
4 Code (Code Construction Act), provides that a
5 reference to the singular includes the plural and vice
6 versa.

7 (11) Section 1.03(50), V.A.C.S. Article 179e,
8 revised in this chapter as Section 2021.003(17),
9 refers to a "permitted association." The reference to
10 "permitted" is omitted from the revised law because
11 the substance of that term is included in the meaning
12 of "racetrack association."

13 (12) Section 1.03(53), V.A.C.S. Article 179e,
14 revised in this chapter as Section 2021.003(22),
15 defines the term "judge" as a racing official who
16 supervises a "licensed race meeting" and license
17 holders at the "race meeting." For clarity, the
18 revised law substitutes "greyhound race meeting" for
19 "licensed race meeting" and "race meeting" because
20 racetrack associations are licensed to conduct
21 pari-mutuel racing on horse or greyhound racing under
22 Article 179e. Race meetings are not licensed. In
23 addition, Section 3.07(a), V.A.C.S. Article 179e,
24 revised in this subtitle as Section 2023.101,
25 clarifies that judges supervise greyhound race
26 meetings and stewards supervise horse race meetings.
27 The revised law is drafted accordingly.

28 (13) Section 1.03(51), V.A.C.S. Article 179e,
29 revised in this chapter as Section 2021.003(25),
30 defines the term "greyhound matinee race." For
31 clarity and consistency throughout this subtitle, the
32 revised law substitutes the term "matinee performance"
33 for the quoted language because that definition refers
34 to any greyhound performance occurring between 10 a.m.

1 and 5 p.m. and because "performance" is the defined
2 term under Section 1.03(52), V.A.C.S. Article 179e,
3 revised in this chapter as Section 2021.003(35).

4 (14) Section 1.03(69), V.A.C.S. Article 179e,
5 revised in this chapter as Section 2021.003(26),
6 refers to a "person younger than 21 years of age." The
7 revised law substitutes "individual" for "person" for
8 the reason stated in Revisor's Note (3) to this
9 section.

10 (15) Section 1.03(57), V.A.C.S. Article 179e,
11 revised in this chapter as Section 2021.003(28),
12 refers to "the National Register of Historic Places
13 created under the National Historic Preservation Act,
14 16 U.S.C. Section 470 et seq." Public Law 287, 113th
15 Congress, 2nd Session, H.R. 1068, codified certain
16 existing laws relating to the National Park System,
17 including the National Historic Preservation Act, as
18 Title 54, United States Code. The National Register of
19 Historic Places was codified as 54 U.S.C. Section
20 302101 et seq., and the revised law is drafted
21 accordingly.

22 (16) Section 1.03(54), V.A.C.S. Article 179e,
23 revised in this chapter as Section 2021.003(29),
24 refers to a corporation "organized under Subdivision
25 7, Article 1302, Revised Statutes" or "organized under
26 the Texas Non-Profit Corporation Act (Article
27 1396-1.01 et seq., Vernon's Texas Civil Statutes)."
28 Subdivision 7, Article 1302, Revised Statutes,
29 governed the organization of nonprofit corporations
30 before September 1, 1961, at which time the Texas
31 Non-Profit Corporation Act became the operative law
32 for nonprofit corporations. On January 1, 2010, the
33 Act expired and was replaced by several provisions of
34 the Business Organizations Code. Chapter 22, Business

1 Organizations Code, now governs the operations of
2 nonprofit corporations, and the revised law is drafted
3 accordingly.

4 (17) Section 1.03(75), V.A.C.S. Article 179e,
5 revised in this chapter as Section 2021.003(30),
6 refers to a "greyhound racing or horse racing day."
7 The revised law substitutes "greyhound racing day" for
8 "greyhound racing" for clarity and consistency in the
9 terminology used in the chapter and because "greyhound
10 racing days" is the defined term under Section
11 1.03(50), V.A.C.S. Article 179e, revised in this
12 chapter as "greyhound racing day" in Section
13 2021.003(17).

14 (18) Section 1.03(18), V.A.C.S. Article 179e,
15 revised in this chapter as Section 2021.003(34),
16 refers to "greyhound or horse racing." The revised law
17 substitutes "greyhound racing" for "greyhound" for
18 clarity and consistency in the terminology used in the
19 chapter and because "greyhound racing" is the defined
20 term under Section 1.03(48), V.A.C.S. Article 179e,
21 revised in this chapter as Section 2021.003(16).

22 (19) Section 1.03(25), V.A.C.S. Article 179e,
23 revised in this chapter as Section 2021.003(41),
24 defines the term "racetrack." Section 1.03(67),
25 V.A.C.S. Article 179e, defines the term "racetrack
26 facility." Throughout this subtitle, the revised law
27 substitutes "racetrack" for "racetrack facility" for
28 consistency because the terms are synonymous and are
29 used interchangeably throughout Article 179e. The
30 revised law omits the definition of "racetrack
31 facility" as duplicative, in substance, of the defined
32 term "racetrack." The omitted definition reads:

33 (67) "Racetrack facility" means
34 a facility operated by an association
35 within its enclosure for the purpose of

1 presenting races for pari-mutuel wagering.

2 (20) Section 1.03(2), V.A.C.S. Article 179e,
3 revised in this chapter as Section 2021.003(42),
4 defines "association" as a "person licensed under this
5 Act to conduct a horse race meeting or a greyhound race
6 meeting with pari-mutuel wagering." Throughout
7 Article 179e, "association" and "racetrack
8 association" are used interchangeably. The revised
9 law changes the defined term from "association" to
10 "racetrack association" because the latter term is
11 more descriptive and the former term is commonly
12 understood to mean more than the restricted definition
13 provided by Section 1.03(2). Accordingly, throughout
14 this subtitle, each reference to "association" is
15 changed to "racetrack association" when it is clear
16 from the context the reference is to a racetrack
17 association.

18 (21) Section 1.03(64), V.A.C.S. Article 179e,
19 revised in this chapter as Section 2021.003(43),
20 refers to a "licensed racetrack association." The
21 revised law omits the term "licensed" as redundant
22 because "racetrack association" is defined by Section
23 1.03(2), revised in this chapter as Section
24 2021.003(42), as a person licensed to conduct a race
25 meeting.

26 (22) Section 1.03(63), V.A.C.S. Article 179e,
27 revised in this chapter as Section 2021.003(47),
28 refers to wagering at a "licensed racetrack
29 association." The revised law defines "racetrack
30 association" as "a person licensed under this subtitle
31 to conduct a horse race meeting or a greyhound race
32 meeting with pari-mutuel wagering" (Section
33 2021.003(42)), and defines "racetrack" as "a facility
34 that is licensed under this subtitle for the conduct of

1 pari-mutuel wagering. . . ." (Section 2021.003(41)).
2 Because it is clear from the context of Section
3 1.03(63) that patrons wager at a place, not at a
4 person, the revised law substitutes "racetrack" for
5 "racetrack association."

6 (23) Section 1.03(24), V.A.C.S. Article 179e,
7 revised in this chapter as Section 2021.003(48),
8 refers to "accredited Texas-bred requirements." The
9 revised law substitutes "accredited Texas-bred horse
10 requirements" for "accredited Texas-bred
11 requirements" for clarity and consistency in the
12 terminology used in the chapter and because
13 "accredited Texas-bred horse" is the defined term
14 under Section 1.03(22), V.A.C.S. Article 179e, revised
15 in this chapter as Section 2021.003(1).

16 (24) Section 1.03(35), V.A.C.S. Article 179e,
17 revised in this chapter as Section 2021.003(49),
18 defines the term "steward" as a racing official who
19 supervises a "licensed race meeting" and license
20 holders at the "race meeting." The revised law
21 substitutes "horse race meeting" for "licensed race
22 meeting" and "race meeting" for the reasons stated in
23 Revisor's Note (12) to this section.

24 (25) Section 1.03(73), V.A.C.S. Article 179e,
25 revised in this chapter as Section 2021.003(53),
26 defines the term "unlawful touting." The revised law
27 omits the word "unlawful" from the defined term as
28 unnecessary because in the source law and in the
29 revised law, only the term "touting" is used, and
30 Section 14.01, V.A.C.S. Article 179e, revised in this
31 subtitle as Section 2033.013, makes clear that the
32 conduct described as touting is unlawful.

33 (26) Section 1.03(42), V.A.C.S. Article 179e,
34 revised in this chapter as Section 2021.003(55),

1 refers to The Veterinary Licensing Act (V.A.C.S.
2 Article 7465a). That statute was codified in 1999 as
3 Chapter 801, Occupations Code, and the revised law is
4 drafted accordingly.

5 (27) Section 1.03(4), V.A.C.S. Article 179e,
6 defines "comptroller" as "the comptroller of public
7 accounts." The revised law omits the definition as
8 unnecessary because Section 403.001, Government Code,
9 defines "comptroller" in any state statute to mean the
10 comptroller of public accounts. The omitted
11 definition reads:

12 (4) "Comptroller" means the
13 comptroller of public accounts.

14 (28) Sections 1.03(12), (14), (16), (23), (33),
15 (49), (55), and (56), V.A.C.S. Article 179e, define
16 terms that the revised law omits because the defined
17 terms are not used in the source law for this subtitle
18 or in the revision. The omitted definitions read:

19 (12) "Appaloosa racing" means
20 the form of horse racing in which Appaloosa
21 horses mounted by jockeys engage in a race.

22 (14) "Arabian racing" means the
23 form of horse racing in which Arabian horses
24 sanctioned for racing by the Texas Arabian
25 Breeders Association, while mounted by
26 jockeys, engage in a race.

27 (16) "Paint horse racing" means
28 the form of horse racing in which paint
29 horses mounted by jockeys engage in a race.

30 (23) "Mixed racing" means a
31 race in which different breeds of horses
32 participate.

33 (33) "Placing official" means a
34 racetrack official who records the order of
35 the finish of a race.

36 (49) "Enclosure--public" means
37 the areas of the grounds of an association
38 to which a member of the public is admitted
39 by payment of an admission fee or on
40 presentation of authorized credentials, but
41 excludes restricted areas such as the
42 racetrack, the receiving area, and the area
43 in which the animals are housed.

44 (55) "Mixed meet" means a live

1 horse race meeting that includes races by
2 more than one breed of horse.

3 (56) "Texas-owned horse" means
4 a horse owned by a bona fide resident of
5 this state as determined by the rules of the
6 commission.

7 (29) Sections 1.03(44) and (58), V.A.C.S.
8 Article 179e, define the terms "combination" and
9 "corporation," respectively. The revised law omits
10 these definitions as unnecessary. Section 311.011(a),
11 Government Code (Code Construction Act), applicable to
12 the revised law, provides that words and phrases shall
13 be read in context and construed according to the rules
14 of grammar and common usage. These definitions are
15 consistent with the meaning of those terms in common
16 usage and do not establish a technical or particular
17 meaning of those terms. The omitted definitions read:

18 (44) "Combination" means a
19 combination of races.

20 (58) "Corporation" means an
21 incorporated entity, either for profit or
22 not for profit.

23 Revised Law

24 Sec. 2021.004. DEFINITIONS USED IN ADMINISTERING SUBTITLE.

25 For the purpose of administering this subtitle:

26 (1) "Authorized agent" means a person appointed by an
27 owner of a horse to represent the owner. The term is limited to a
28 person who is appointed by a written instrument that the commission
29 acknowledges and approves.

30 (2) "Clerk of scales" means a racetrack official who
31 is responsible for weighing a jockey before and after a race.

32 (3) "Handicapper" means a person who predicts the
33 winner of a horse race.

34 (4) "Horseshoe inspector" means a racetrack official
35 who inspects the shoes of the horses entered in a race.

36 (5) "Jockey" or "apprentice jockey" means a
37 professional rider licensed by the commission to ride in horse
38 races.

1 (38) "Authorized agent" means a person
2 appointed by an owner of a horse to represent the
3 owner. The term is limited to a person who is appointed
4 by a written instrument that is acknowledged and
5 approved by the commission.

6 (39) "Horseshoe inspector" means a
7 racetrack official who inspects the shoes of the
8 horses entered in a race.

9 (40) "Jockey room custodian" means a
10 person who maintains the premises of a room in which
11 jockeys prepare for a race.

12 (41) "Timer" means a racetrack official
13 who times the running of a race.

14 Revisor's Note

15 Section 1.03, V.A.C.S. Article 179e, includes
16 several definitions not used in that article or in the
17 revised subtitle. In revising statutes, it is general
18 practice to omit definitions from the revised law that
19 are not used in the source law. A review of the Texas
20 Racing Commission's rules, however, demonstrates that
21 the rules rely on certain terms defined in V.A.C.S.
22 Article 179e that are not otherwise used in Article
23 179e or in the revised subtitle. Accordingly, the
24 revised law retains and revises those terms in Section
25 2021.004, Occupations Code, as administrative
26 definitions.

27 Revised Law

28 Sec. 2021.005. PRECEDENCE OF SUIT UNDER TITLE. A court
29 shall accelerate the disposition of an action brought under this
30 subtitle. (V.A.C.S. Art. 179e, Secs. 16.16, 18.04.)

31 Source Law

32 Sec. 16.16. The court shall accelerate the
33 disposition of any action brought under this Act.

34 Sec. 18.04. The courts shall accelerate the
35 disposition of any action brought under this Act.

36 Revisor's Note

37 Section 18.04, V.A.C.S. Article 179e, refers to
38 "[t]he courts." The revised law changes "[t]he courts"
39 to "[a] court" for the reason stated in Revisor's Note
40 (10) to Section 2021.003.

1 (2) the franchise tax to a person licensed under this
2 subtitle. (V.A.C.S. Art. 179e, Sec. 18.05.)

3 Source Law

4 Sec. 18.05. A fee or payment collected by the
5 state under this Act is in lieu of any other fee,
6 payment, or tax levied by the state. This section does
7 not preclude the application of the sales tax or any
8 increase thereof to the sale or purchase of taxable
9 items by a person or association licensed under this
10 Act or the application of the franchise tax to a person
11 or association licensed under this Act.

12 Revisor's Note

13 (1) Section 18.05, V.A.C.S. Article 179e,
14 refers to a "tax levied by the state." The revised law
15 substitutes "imposed" for "levied" because "impose" is
16 the term generally used in Title 1, Tax Code, and
17 includes the levy and collection of a tax.

18 (2) Section 18.05, V.A.C.S. Article 179e,
19 refers to "a person or association licensed under this
20 Act." The revised law omits the reference to
21 "association" as unnecessary because "association" is
22 defined by Section 1.03(2), V.A.C.S. Article 179e,
23 revised in this chapter as Section 2021.003(42), as a
24 person licensed under this subtitle to conduct a horse
25 race meeting or a greyhound race meeting with
26 pari-mutuel wagering, and that term is included in the
27 meaning of "person" defined by Section 1.03(1),
28 V.A.C.S. Article 179e, and is revised in this chapter
29 as Section 2021.003(36).

30 Revised Law

31 Sec. 2021.008. SUNSET PROVISION. (a) The commission is
32 subject to Chapter 325, Government Code (Texas Sunset Act). Unless
33 continued in existence as provided by that chapter, and except as
34 provided by Subsections (b) and (c), the commission is abolished
35 and this subtitle expires September 1, 2023.

36 (b) If, at the time the commission would be abolished under
37 Subsection (a), a racetrack association has outstanding long-term

1 liabilities:

2 (1) the racetrack association may continue to operate
3 for a period not to exceed one year after those liabilities are
4 satisfied; and

5 (2) the commission and this subtitle are continued in
6 effect for the purpose of regulating that racetrack association
7 under this subtitle.

8 (c) If the commission and this subtitle are continued in
9 effect under Subsection (b), the commission is abolished and this
10 subtitle expires on the first day of the state fiscal year following
11 the state fiscal year in which the commission certifies to the
12 secretary of state that no racetrack associations are operating
13 under the terms of Subsection (b).

14 (d) A racetrack association that continues to operate under
15 Subsection (b) may not incur any new liability without commission
16 approval. At the beginning of that period, the commission shall:

17 (1) review the outstanding liabilities of the
18 racetrack association; and

19 (2) set a specific date by which the racetrack
20 association must retire its outstanding liabilities.

21 (e) Notwithstanding any contrary contract provision, a
22 racetrack association may prepay any debt incurred by the racetrack
23 association in conducting racing under this subtitle. (V.A.C.S.
24 Art. 179e, Sec. 18.01.)

25 Source Law

26 Sec. 18.01. (a) The Texas Racing Commission is
27 subject to Chapter 325, Government Code (Texas Sunset
28 Act). Unless continued in existence as provided by
29 that chapter, and except as provided by Subsections
30 (b) and (c) of this section, the commission is
31 abolished and this Act expires September 1, 2023.

32 (b) If, at the time that the commission would be
33 abolished under Subsection (a) of this section, an
34 association created under this Act has outstanding
35 long-term liabilities:

36 (1) the association may continue to
37 operate for a period not to exceed one year after those
38 liabilities are satisfied; and

39 (2) the commission and this Act are
40 continued in effect for the purpose of regulating that
41 association under this Act.

42 (c) If the commission and this Act are continued

1 in effect under Subsection (b) of this section, the
 2 commission is abolished and this Act expires on the
 3 first day of the fiscal year following the fiscal year
 4 in which the commission certifies to the secretary of
 5 state that no associations are operating under the
 6 terms of Subsection (b) of this section.

7 (d) An association that continues to operate
 8 under Subsection (b) of this section may not incur any
 9 new liabilities without the approval of the
 10 commission. At the beginning of that period, the
 11 commission shall review the outstanding liabilities of
 12 the association and shall set a specific date by which
 13 the association must retire its outstanding
 14 liabilities. Notwithstanding any contrary contract
 15 provisions, an association regulated under this Act
 16 may prepay any debt incurred by the association in
 17 conducting racing under this Act.

18 Revisor's Note

19 Section 18.01, V.A.C.S. Article 179e, refers to a
 20 racetrack association "created under this Act" and
 21 "regulated under this Act." The revised law omits
 22 those phrases as unnecessary because the definition of
 23 "racetrack association," revised in this chapter as
 24 Section 2021.003(42), is limited to racetrack
 25 associations that are licensed under this subtitle to
 26 conduct a horse race meeting or greyhound race meeting
 27 with pari-mutuel wagering and each racetrack
 28 association licensed under this subtitle is also
 29 created and regulated under this subtitle.

30 CHAPTER 2022. TEXAS RACING COMMISSION

31 SUBCHAPTER A. COMPOSITION AND OPERATION

32 Sec. 2022.001. COMMISSION MEMBERSHIP 28
 33 Sec. 2022.002. TERM OF OFFICE 30
 34 Sec. 2022.003. FINANCIAL STATEMENT REQUIRED 31
 35 Sec. 2022.004. RESTRICTIONS ON COMMISSION APPOINTMENT,
 36 MEMBERSHIP, AND EMPLOYMENT 32
 37 Sec. 2022.005. GROUNDS FOR REMOVAL 35
 38 Sec. 2022.006. MEMBER TRAINING 36
 39 Sec. 2022.007. MEMBER PER DIEM AND REIMBURSEMENT FOR
 40 EXPENSES 38
 41 Sec. 2022.008. PRESIDING OFFICER 38

1	Sec. 2022.009.	COMMISSION MEETINGS; RECORD OF	
2		COMMISSION VOTES	39
3	Sec. 2022.010.	COMMISSION OFFICES	39
4	Sec. 2022.011.	MONEY PAID TO COMMISSION	39
5	Sec. 2022.012.	LEGAL REPRESENTATION	40
6	Sec. 2022.013.	NEGOTIATED RULEMAKING AND ALTERNATIVE	
7		DISPUTE RESOLUTION PROCEDURES	40
8	Sec. 2022.014.	PUBLIC PARTICIPATION	41
9		SUBCHAPTER B. COMMISSION STAFF	
10	Sec. 2022.051.	EXECUTIVE DIRECTOR; DUTIES	42
11	Sec. 2022.052.	EMPLOYEES; RESTRICTIONS ON EMPLOYMENT	43
12	Sec. 2022.053.	COMMISSION INVESTIGATORS	45
13	Sec. 2022.054.	CAREER LADDER; PERFORMANCE EVALUATIONS	45
14	Sec. 2022.055.	EQUAL EMPLOYMENT OPPORTUNITY POLICY	46
15	Sec. 2022.056.	DIVISION OF RESPONSIBILITY	48
16	Sec. 2022.057.	BACKGROUND CHECKS AND QUALIFICATION	
17		CRITERIA	48
18	Sec. 2022.058.	PROHIBITION ON EMPLOYMENT OF FORMER	
19		COMMISSION MEMBERS OR EMPLOYEES BY	
20		RACETRACK ASSOCIATION; CRIMINAL PENALTY	48
21		SUBCHAPTER C. RECORDS AND INFORMATION	
22	Sec. 2022.101.	PUBLIC INTEREST INFORMATION	49
23	Sec. 2022.102.	INFORMATION RELATING TO COMPLAINT	
24		PROCEDURES	50
25	Sec. 2022.103.	COMMISSION INVESTIGATIVE FILES	
26		CONFIDENTIAL	52
27	Sec. 2022.104.	INTERAGENCY SHARING OF RECORDS	53
28	Sec. 2022.105.	BOOKS AND RECORDS; INSPECTION	54
29	Sec. 2022.106.	PUBLIC INSPECTION OF RECORDS	55
30		CHAPTER 2022. TEXAS RACING COMMISSION	
31		SUBCHAPTER A. COMPOSITION AND OPERATION	
32		<u>Revised Law</u>	
33	Sec. 2022.001.	COMMISSION MEMBERSHIP. (a) The commission	
34		consists of:	

1 (1) seven members appointed by the governor with the
2 advice and consent of the senate; and

3 (2) two ex officio members who have the right to vote.

4 (b) The ex officio members are:

5 (1) the chair of the Public Safety Commission, or a
6 member of the Public Safety Commission designated by the chair; and

7 (2) the comptroller or the comptroller's designee.

8 (c) Of the appointed commission members:

9 (1) five members must be representatives of the
10 general public and have general knowledge of business or
11 agribusiness;

12 (2) one additional member must have special knowledge
13 or experience related to horse racing; and

14 (3) one additional member must have special knowledge
15 or experience related to greyhound racing.

16 (d) At least one of the members appointed under Subsection
17 (c)(1) may be a veterinarian. Holding a veterinarian's license
18 satisfies the requirement that the person have general knowledge of
19 business or agribusiness.

20 (e) Appointments to the commission shall be made without
21 regard to the race, color, disability, sex, religion, age, or
22 national origin of the appointees.

23 (f) In making appointments to the commission, the governor
24 shall attempt to reflect the minority groups found in the state's
25 general populace. (V.A.C.S. Art. 179e, Secs. 2.02, 2.05(a) (part).)

26 Source Law

27 Sec. 2.02. (a) The commission consists of seven
28 members appointed by the governor with the advice and
29 consent of the senate and two ex officio members who
30 shall have the right to vote. The ex officio members
31 are:

32 (1) the chairman of the Public Safety
33 Commission or a member of the Public Safety Commission
34 designated by the chairman of the Public Safety
35 Commission; and

36 (2) the comptroller of public accounts or
37 the comptroller's designee.

38 (b) Appointments to the commission shall be made
39 without regard to the race, color, disability, sex,
40 religion, age, or national origin of the appointees.

41 (c) In making appointments to the commission,

1 the governor shall attempt to reflect the minority
2 groups found in the state's general populace.

3 Sec. 2.05. (a) Five of the appointed members of
4 the commission must be representatives of the general
5 public and have general knowledge of business or
6 agribusiness. At least one of those appointed members
7 may be a veterinarian, and being licensed as a
8 veterinarian satisfies the requirement that the person
9 have general knowledge of business or agribusiness.
10 One additional appointed member must have special
11 knowledge or experience related to greyhound racing
12 and one additional appointed member must have special
13 knowledge or experience related to horse racing. . . .

14 Revisor's Note

15 Section 2.02(a), V.A.C.S. Article 179e, refers to
16 the "comptroller of public accounts." The revised law
17 omits the reference to "of public accounts" for the
18 reason stated in Revisor's Note (27) to Section
19 2021.003.

20 Revised Law

21 Sec. 2022.002. TERM OF OFFICE. (a) Appointed commission
22 members hold office for staggered terms of six years with the terms
23 of two or three members expiring February 1 of each odd-numbered
24 year.

25 (b) An ex officio member holds office on the commission for
26 the time the member holds the member's other office. (V.A.C.S. Art.
27 179e, Secs. 2.03(a) (part), (b).)

28 Source Law

29 Sec. 2.03. (a) Appointed members hold office
30 for staggered terms of six years with two or three
31 members' terms expiring February 1 of each
32 odd-numbered year. . . .

33 (b) The ex officio members hold office on the
34 commission for the time for which they hold their other
35 offices.

36 Revisor's Note

37 Section 2.03(a), V.A.C.S. Article 179e, provides
38 that commission members serve until their successors
39 are appointed and have qualified. The revised law
40 omits the provision as duplicative of Section 17,
41 Article XVI, Texas Constitution, which provides that
42 an officer in the state is to continue to perform the
43 officer's official duties until a successor has

1 qualified. The omitted law reads:

2 (a) . . . A member holds office
3 until that member's successor is appointed
4 and qualifies.

5 Revised Law

6 Sec. 2022.003. FINANCIAL STATEMENT REQUIRED. (a) Each
7 appointed commission member and the executive director is an
8 "appointed officer of a major state agency" for purposes of Chapter
9 572, Government Code.

10 (b) An appointed commission member shall file a detailed
11 financial statement with the secretary of state of the type
12 required by the Texas Department of Banking in the application for a
13 state bank charter. The financial statement is public information
14 under Chapter 552, Government Code. (V.A.C.S. Art. 179e, Sec.
15 2.06.)

16 Source Law

17 Sec. 2.06. Each appointed member of the
18 commission and the executive secretary of the
19 commission is an "appointed officer of a major state
20 agency" within the meaning of Chapter 421, Acts of the
21 63rd Legislature, Regular Session, 1973 (Article
22 6252-9b, Vernon's Texas Civil Statutes). An appointee
23 shall also file a detailed financial statement with
24 the secretary of state of the type required by The
25 Banking Department of Texas in the application for
26 charter for state banks. The financial statement is a
27 public record under Chapter 424, Acts of the 63rd
28 Legislature, Regular Session, 1973 (Article 6252-17a,
29 Vernon's Texas Civil Statutes).

30 Revisor's Note

31 (1) Section 2.06, V.A.C.S. Article 179e, refers
32 to Chapter 421, Acts of the 63rd Legislature, Regular
33 Session, 1973 (Article 6252-9b, Vernon's Texas Civil
34 Statutes), and Chapter 424, Acts of the 63rd
35 Legislature, Regular Session, 1973 (Article 6252-17a,
36 Vernon's Texas Civil Statutes). Those statutes were
37 codified by Chapter 268, Acts of the 73rd Legislature,
38 Regular Session, 1993, as Chapter 572, Government
39 Code, and Chapter 552, Government Code, respectively.
40 The revised law is drafted accordingly.

41 (2) Section 2.06, V.A.C.S. Article 179e, refers

1 to a "public record" under Chapter 424, Acts of the
2 63rd Legislature, Regular Session, 1973 (Article
3 6252-17a, Vernon's Texas Civil Statutes), which was
4 codified as Chapter 552, Government Code, as explained
5 in Revisor's Note (1) of this section. Chapter 1035,
6 Acts of the 74th Legislature, Regular Session, 1995,
7 changed the heading of Chapter 552, Government Code,
8 from "Open Records" to "Public Information" and in
9 addition deleted references to "public records" and
10 instead referred to "information" or "public
11 information" throughout Chapter 552. For consistency
12 with those changes, the revised law substitutes
13 "public information" for "public record."

14 Revised Law

15 Sec. 2022.004. RESTRICTIONS ON COMMISSION APPOINTMENT,
16 MEMBERSHIP, AND EMPLOYMENT. (a) In this section, "Texas trade
17 association" means a cooperative and voluntarily joined statewide
18 association of business or professional competitors in this state
19 designed to assist its members and its industry or profession in
20 dealing with mutual business or professional problems and in
21 promoting their common interest.

22 (b) A person may not be a commission member and may not be a
23 commission employee employed in a "bona fide executive,
24 administrative, or professional capacity," as that phrase is used
25 for purposes of establishing an exemption to the overtime
26 provisions of the federal Fair Labor Standards Act of 1938 (29
27 U.S.C. Section 201 et seq.), if:

28 (1) the person is an officer, employee, or paid
29 consultant of a Texas trade association in the field of horse or
30 greyhound racing or breeding; or

31 (2) the person's spouse is an officer, manager, or paid
32 consultant of a Texas trade association in the field of horse or
33 greyhound racing or breeding.

34 (c) A person may not be a commission member or act as the

1 general counsel to the commission if the person is required to
2 register as a lobbyist under Chapter 305, Government Code, because
3 of the person's activities for compensation on behalf of a
4 profession related to the operation of the commission.

5 (d) An appointed member is not eligible to serve on the
6 commission unless that member has been a resident of this state for
7 at least 10 consecutive years immediately before appointment.

8 (e) A person is not eligible for appointment as a commission
9 member if:

10 (1) the person or the person's spouse:

11 (A) is licensed by the commission, except as a
12 commissioner;

13 (B) is employed by the commission or participates
14 in the management of a business entity or other organization
15 regulated by the commission or receiving funds from or through the
16 commission;

17 (C) owns or controls, directly or indirectly,
18 more than a 10 percent interest in a business entity or other
19 organization regulated by the commission or receiving funds from or
20 through the commission; or

21 (D) uses or receives a substantial amount of
22 tangible goods, services, or funds from or through the commission,
23 other than compensation or reimbursement authorized by law for
24 commission membership, attendance, or expenses; or

25 (2) the person:

26 (A) owns any financial interest in a racetrack or
27 its operation or is related within the second degree by affinity or
28 the third degree by consanguinity, as determined under Subchapter
29 B, Chapter 573, Government Code, to a person who owns any financial
30 interest in a racetrack or its operation; or

31 (B) has been convicted of a felony or of any crime
32 involving moral turpitude. (V.A.C.S. Art. 179e, Secs. 2.04, 2.05(a)
33 (part), (b), (d), 2.071.)

1 Source Law

2 Sec. 2.04. An appointed member is not eligible
3 to be a member of the commission unless that appointee
4 has been a resident of this state for at least 10
5 consecutive years immediately before appointment.

6 Sec. 2.05. (a) . . . A person is not eligible
7 for appointment as a member of the commission if the
8 person or the person's spouse:

9 (1) is licensed by the commission, except
10 as a commissioner;

11 (2) is employed by the commission or
12 participates in the management of a business entity or
13 other organization regulated by the commission or
14 receiving funds from or through the commission;

15 (3) owns or controls, directly or
16 indirectly, more than a 10 percent interest in a
17 business entity or other organization regulated by the
18 commission or receiving funds from or through the
19 commission; or

20 (4) uses or receives a substantial amount
21 of tangible goods, services, or funds from or through
22 the commission, other than compensation or
23 reimbursement authorized by law for commission
24 membership, attendance, or expenses.

25 (b) In addition to the eligibility requirements
26 of Subsection (a), a person is not eligible to be an
27 appointed member of the commission if that person owns
28 any financial interest in a racetrack or its operation
29 or if that person is related within the second degree
30 by affinity or the third degree by consanguinity, as
31 determined under Subchapter B, Chapter 573, Government
32 Code, to a person who owns any financial interest in a
33 racetrack or its operation.

34 (d) A person who has been convicted of a felony
35 or of any crime involving moral turpitude is not
36 eligible for appointment to the commission.

37 Sec. 2.071. (a) A person may not be a member of
38 the commission and may not be a commission employee
39 employed in a "bona fide executive, administrative, or
40 professional capacity," as that phrase is used for
41 purposes of establishing an exemption to the overtime
42 provisions of the federal Fair Labor Standards Act of
43 1938 (29 U.S.C. Section 201 et seq.), if:

44 (1) the person is an officer, employee, or
45 paid consultant of a Texas trade association in the
46 field of horse or greyhound racing or breeding; or

47 (2) the person's spouse is an officer,
48 manager, or paid consultant of a Texas trade
49 association in the field of horse or greyhound racing
50 or breeding.

51 (b) A person may not be a member of the
52 commission or act as the general counsel to the
53 commission if the person is required to register as a
54 lobbyist under Chapter 305, Government Code, because
55 of the person's activities for compensation on behalf
56 of a profession related to the operation of the
57 commission.

58 (c) In this section, "Texas trade association"
59 means a cooperative and voluntarily joined statewide
60 association of business or professional competitors in
61 this state designed to assist its members and its
62 industry or profession in dealing with mutual business
63 or professional problems and in promoting their common
64 interest.

1 Revised Law

2 Sec. 2022.005. GROUNDS FOR REMOVAL. (a) It is a ground for
3 removal from the commission if a member:

4 (1) does not have at the time of appointment the
5 qualifications required by Sections 2022.001, 2022.004, and
6 2022.057;

7 (2) does not maintain during service on the commission
8 the qualifications required by Sections 2022.001, 2022.004, and
9 2022.057;

10 (3) violates a prohibition established by Section
11 2022.004;

12 (4) cannot, because of illness or disability,
13 discharge the member's duties for a substantial part of the member's
14 term; or

15 (5) is absent from more than half of the regularly
16 scheduled commission meetings that the member is eligible to attend
17 during a calendar year.

18 (b) The validity of an action of the commission is not
19 affected by the fact that it is taken when a ground for removal of a
20 commission member exists.

21 (c) If the executive director has knowledge that a potential
22 ground for removal exists, the executive director shall notify the
23 presiding officer of the commission of the potential ground. The
24 presiding officer shall then notify the governor and the attorney
25 general that a potential ground for removal exists. If the
26 potential ground for removal involves the presiding officer, the
27 executive director shall notify the next highest officer of the
28 commission, who shall notify the governor and the attorney general
29 that a potential ground for removal exists. (V.A.C.S. Art. 179e,
30 Sec. 2.073.)

31 Source Law

32 Sec. 2.073. (a) It is a ground for removal from
33 the commission if a member:

34 (1) does not have at the time of
35 appointment the qualifications required by Section
36 2.02, 2.04, or 2.05 of this Act;

1 (2) does not maintain during service on
2 the commission the qualifications required by Section
3 2.02 or 2.05 of this Act;

4 (3) violates a prohibition established by
5 Section 2.05, 2.071, or 2.072 of this Act;

6 (4) cannot because of illness or
7 disability discharge the member's duties for a
8 substantial part of the term for which the member is
9 appointed; or

10 (5) is absent from more than half of the
11 regularly scheduled commission meetings that the
12 member is eligible to attend during a calendar year.

13 (b) The validity of an action of the commission
14 is not affected by the fact that it is taken when a
15 ground for removal of a commission member exists.

16 (c) If the executive secretary has knowledge
17 that a potential ground for removal exists, the
18 executive secretary shall notify the presiding officer
19 of the commission of the potential ground. The
20 presiding officer shall then notify the governor and
21 the attorney general that a potential ground for
22 removal exists. If the potential ground for removal
23 involves the presiding officer, the executive
24 secretary shall notify the next highest officer of the
25 commission, who shall notify the governor and the
26 attorney general that a potential ground for removal
27 exists.

28 Revisor's Note

29 Section 2.073, V.A.C.S. Article 179e, refers to
30 "a prohibition established by Section . . . 2.072 of
31 this Act." Section 2.072, V.A.C.S. Article 179e, was
32 repealed by Section 26, Chapter 522, Acts of the 82nd
33 Legislature, Regular Session, 2011. The revised law
34 omits the reference to that section accordingly.

35 Revised Law

36 Sec. 2022.006. MEMBER TRAINING. (a) To be eligible to
37 take office as a commission member, a person appointed to the
38 commission must complete at least one course of a training program
39 that complies with this section.

40 (b) The training program must provide information to the
41 person regarding:

42 (1) the enabling legislation that created the
43 commission;

44 (2) the programs operated by the commission;

45 (3) the role and functions of the commission;

46 (4) commission rules, with an emphasis on the rules
47 that relate to disciplinary and investigatory authority;

1 (5) the current budget for the commission;
2 (6) the results of the most recent formal audit of the
3 commission;
4 (7) the requirements of:
5 (A) Chapter 551, Government Code;
6 (B) Chapter 552, Government Code; and
7 (C) Chapter 2001, Government Code;
8 (8) the requirements of the conflict of interest laws
9 and other laws relating to public officials; and
10 (9) any applicable ethics policies adopted by the
11 commission or the Texas Ethics Commission.
12 (c) A person appointed to the commission is entitled to
13 reimbursement for travel expenses incurred in attending the
14 training program, as provided by the General Appropriations Act and
15 as if the person were a commission member. (V.A.C.S. Art. 179e, Sec.
16 2.074.)

17 Source Law

18 Sec. 2.074. (a) To be eligible to take office
19 as a member of the commission, a person appointed to
20 the commission must complete at least one course of a
21 training program that complies with this section.
22 (b) The training program must provide
23 information to the person regarding:
24 (1) the enabling legislation that created
25 the commission;
26 (2) the programs operated by the
27 commission;
28 (3) the role and functions of the
29 commission;
30 (4) the rules of the commission with an
31 emphasis on the rules that relate to disciplinary and
32 investigatory authority;
33 (5) the current budget for the commission;
34 (6) the results of the most recent formal
35 audit of the commission;
36 (7) the requirements of the:
37 (A) open meetings law, Chapter 551,
38 Government Code;
39 (B) open records law, Chapter 552,
40 Government Code; and
41 (C) administrative procedure law,
42 Chapter 2001, Government Code;
43 (8) the requirements of the conflict of
44 interests laws and other laws relating to public
45 officials; and
46 (9) any applicable ethics policies adopted
47 by the commission or the Texas Ethics Commission.
48 (c) A person appointed to the commission is
49 entitled to reimbursement for travel expenses incurred
50 in attending the training program, as provided by the

1 General Appropriations Act and as if the person were a
2 member of the commission.

3 Revised Law

4 Sec. 2022.007. MEMBER PER DIEM AND REIMBURSEMENT FOR
5 EXPENSES. (a) An appointed commission member is entitled to:

6 (1) a per diem in an amount prescribed by legislative
7 appropriation for each day spent in performing the duties of the
8 office; and

9 (2) reimbursement for actual and necessary expenses
10 incurred in performing the duties of the office.

11 (b) Reimbursement for expenses under this section is
12 subject to any applicable limitation in the General Appropriations
13 Act.

14 (c) An ex officio commission member is entitled to
15 reimbursement for expenses from the member's agency as provided by
16 law for expenses incurred in the performance of the member's other
17 official duties. (V.A.C.S. Art. 179e, Sec. 2.08.)

18 Source Law

19 Sec. 2.08. Each appointed member of the
20 commission is entitled to a per diem in an amount
21 prescribed by legislative appropriation for each day
22 spent in performing the duties of the office and is
23 entitled to reimbursement for actual and necessary
24 expenses incurred in performing those duties.
25 Reimbursement for expenses under this section is
26 subject to any applicable limitation in the General
27 Appropriations Act. The ex officio members are
28 entitled to reimbursement for expenses from their
29 respective agencies as provided by law for expenses
30 incurred in the performance of their other official
31 duties.

32 Revised Law

33 Sec. 2022.008. PRESIDING OFFICER. The governor shall
34 designate a public member of the commission as the presiding
35 officer of the commission to serve in that capacity at the pleasure
36 of the governor. (V.A.C.S. Art. 179e, Sec. 2.10.)

37 Source Law

38 Sec. 2.10. The governor shall designate a
39 public member of the commission as the presiding
40 officer of the commission to serve in that capacity at
41 the pleasure of the governor.

1 Revised Law

2 Sec. 2022.009. COMMISSION MEETINGS; RECORD OF COMMISSION
3 VOTES. (a) The commission shall hold at least six regular meetings
4 each year on dates fixed by the commission.

5 (b) The commission shall adopt rules providing for the
6 holding of special meetings.

7 (c) The commission shall keep at the commission's general
8 office a public record of every vote. (V.A.C.S. Art. 179e, Secs.
9 2.11(a), (c).)

10 Source Law

11 Sec. 2.11. (a) The commission shall hold at
12 least six regular meetings each year on dates fixed by
13 the commission. The commission shall adopt rules
14 providing for the holding of special meetings.

15 (c) The commission shall keep at its general
16 office a public record of every vote.

17 Revisor's Note

18 Section 2.11(b), V.A.C.S. Article 179e, provides
19 that a majority of the commission constitutes a
20 quorum. The revised law omits that provision because
21 it duplicates general law. Section 312.015,
22 Government Code, applicable to the revised law,
23 provides that a majority of a board or commission
24 constitutes a quorum. The omitted law reads:

25 (b) A majority of the commission
26 constitutes a quorum.

27 Revised Law

28 Sec. 2022.010. COMMISSION OFFICES. The commission shall
29 maintain a general office of the commission in Austin and may also
30 establish branch offices. (V.A.C.S. Art. 179e, Sec. 2.09.)

31 Source Law

32 Sec. 2.09. The commission shall maintain its
33 general office in the City of Austin. The commission
34 may also establish branch offices.

35 Revised Law

36 Sec. 2022.011. MONEY PAID TO COMMISSION. All money paid to
37 the commission under this subtitle is subject to Subchapter F,

1 Chapter 404, Government Code. (V.A.C.S. Art. 179e, Sec. 2.18.)

2 Source Law

3 Sec. 2.18. All money paid to the commission
4 under this Act is subject to Subchapter F, Chapter 404,
5 Government Code.

6 Revised Law

7 Sec. 2022.012. LEGAL REPRESENTATION. The attorney general
8 shall:

9 (1) designate at least one member of the attorney
10 general's staff to counsel and advise the commission and to
11 represent the commission in legal proceedings; and

12 (2) make available to the appropriate prosecuting
13 attorneys any information obtained regarding violations of this
14 subtitle. (V.A.C.S. Art. 179e, Sec. 2.14.)

15 Source Law

16 Sec. 2.14. The attorney general shall designate
17 at least one member of the attorney general's staff to
18 counsel and advise the commission and to represent the
19 commission in legal proceedings. The attorney general
20 shall make available to the appropriate prosecuting
21 attorneys any information obtained regarding
22 violations of this Act.

23 Revised Law

24 Sec. 2022.013. NEGOTIATED RULEMAKING AND ALTERNATIVE
25 DISPUTE RESOLUTION PROCEDURES. (a) The commission shall develop
26 and implement a policy to encourage the use of:

27 (1) negotiated rulemaking procedures under Chapter
28 2008, Government Code, for the adoption of commission rules; and

29 (2) appropriate alternative dispute resolution
30 procedures under Chapter 2009, Government Code, to assist in the
31 resolution of internal and external disputes under the commission's
32 jurisdiction.

33 (b) The commission's procedures relating to alternative
34 dispute resolution shall conform, to the extent possible, to any
35 model guidelines issued by the State Office of Administrative
36 Hearings for the use of alternative dispute resolution by state
37 agencies.

38 (c) The commission shall:

- 1 (1) coordinate the implementation of the policy
2 adopted under Subsection (a);
- 3 (2) provide training as needed to implement the
4 procedures for negotiated rulemaking or alternative dispute
5 resolution; and
- 6 (3) collect data concerning the effectiveness of those
7 procedures. (V.A.C.S. Art. 179e, Sec. 2.25.)

8 Source Law

9 Sec. 2.25. (a) The commission shall develop and
10 implement a policy to encourage the use of:

11 (1) negotiated rulemaking procedures
12 under Chapter 2008, Government Code, for the adoption
13 of commission rules; and

14 (2) appropriate alternative dispute
15 resolution procedures under Chapter 2009, Government
16 Code, to assist in the resolution of internal and
17 external disputes under the commission's jurisdiction.

18 (b) The commission's procedures relating to
19 alternative dispute resolution shall conform, to the
20 extent possible, to any model guidelines issued by the
21 State Office of Administrative Hearings for the use of
22 alternative dispute resolution by state agencies.

23 (c) The commission shall:

24 (1) coordinate the implementation of the
25 policy adopted under Subsection (a) of this section;

26 (2) provide training as needed to
27 implement the procedures for negotiated rulemaking or
28 alternative dispute resolution; and

29 (3) collect data concerning the
30 effectiveness of those procedures.

31 Revised Law

32 Sec. 2022.014. PUBLIC PARTICIPATION. (a) The commission
33 by rule shall develop and implement policies that provide the
34 public with a reasonable opportunity to appear before the
35 commission and to speak on any issue under the jurisdiction of the
36 commission.

37 (b) The executive director shall prepare and maintain a
38 written plan that describes how a person who does not speak English
39 can be provided reasonable access to the commission's programs and
40 services. (V.A.C.S. Art. 179e, Secs. 2.11(d), 2.22 (part).)

41 Source Law

42 [Sec. 2.11]

43 (d) The commission shall, by rule, develop and
44 implement policies that provide the public with a
45 reasonable opportunity to appear before the commission
46 and to speak on any issue under the jurisdiction of the
47 commission.

1 office or employment under this subtitle and their responsibilities
2 under applicable laws relating to standards of conduct for state
3 officers or employees. (V.A.C.S. Art. 179e, Secs. 2.12(a) (part),
4 2.13, 2.20.)

5 Source Law

6 Sec. 2.12. (a) The commission shall employ an
7 executive secretary and

8 Sec. 2.13. The executive secretary shall keep
9 the records of the commission and shall perform other
10 duties as required by the commission. The executive
11 secretary serves at the pleasure of the commission on a
12 full-time basis and may not hold other employment.

13 Sec. 2.20. The executive secretary or the
14 executive secretary's designee shall provide to
15 members of the commission and to agency employees, as
16 often as necessary, information regarding their
17 qualification for office or employment under this Act
18 and their responsibilities under applicable laws
19 relating to standards of conduct for state officers or
20 employees.

21 Revisor's Note

22 Section 2.12(a-1), V.A.C.S. Article 179e,
23 provides that the title "executive director" may be
24 used to refer to the executive secretary. Throughout
25 this subtitle, the revised law substitutes "executive
26 director" for each instance of "executive secretary"
27 for the reasons stated in Revisor's Note (9) to Section
28 2021.003. Accordingly, Section 2.12(a-1) is omitted
29 from the revised law as unnecessary. The omitted
30 provision reads:

31 (a-1) The commission and the
32 executive secretary may use the title
33 "executive director" for any purpose in
34 referring to the office of executive
35 secretary.

36 Revised Law

37 Sec. 2022.052. EMPLOYEES; RESTRICTIONS ON EMPLOYMENT. (a)
38 The commission shall hire employees as necessary to administer this
39 subtitle.

40 (b) The commission shall employ the executive director and
41 other employees to reflect the diversity of the state's population
42 with regard to race, color, disability, sex, religion, age, and

1 national origin.

2 (c) The commission may not employ or continue to employ a
3 person who:

4 (1) owns or controls a financial interest in a
5 commission license holder;

6 (2) is employed by or serves as a paid consultant to a
7 commission license holder, an official state breed registry, or a
8 Texas trade association, as defined by Section 2022.004(a), in the
9 field of horse or greyhound racing or breeding;

10 (3) owns or leases a race animal that participates in
11 pari-mutuel racing in this state;

12 (4) accepts or is entitled to any part of the purse or
13 Texas-bred incentive award to be paid on a horse or a greyhound in a
14 race conducted in this state; or

15 (5) resides with or is related within the first degree
16 by affinity or consanguinity to a person subject to a
17 disqualification prescribed by this subsection. (V.A.C.S. Art.
18 179e, Secs. 2.12(a) (part), (b), (c), (d).)

19 Source Law

20 Sec. 2.12. (a) The commission shall employ
21 . . . other employees as necessary to administer this
22 Act.

23 (b) The commission may not employ or continue to
24 employ a person:

25 (1) who owns or controls a financial
26 interest in a licensee of the commission;

27 (2) who is employed by or serves as a paid
28 consultant to a licensee of the commission, an
29 official breed registry, or a Texas trade association,
30 as defined by Section 2.071(c) of this Act, in the
31 field of horse or greyhound racing or breeding;

32 (3) who owns or leases a race animal that
33 participates in pari-mutuel racing in this state; or

34 (4) who accepts or is entitled to any part
35 of the purse or Texas-bred incentive award to be paid
36 on a greyhound or a horse in a race conducted in this
37 state.

38 (c) The commission may not employ or continue to
39 employ a person who is residentially domiciled with or
40 related within the first degree by affinity or
41 consanguinity to a person who is subject to a
42 disqualification prescribed by Subsection (b) of this
43 section.

44 (d) The commission shall employ the executive
45 secretary and other employees to reflect the diversity
46 of the population of the state as regards race, color,
47 handicap, sex, religion, age, and national origin.

1 Revisor's Note

2 Section 2.12(d), V.A.C.S. Article 179e, refers to
3 an applicant's "handicap." The revised law substitutes
4 "disability" for "handicap" because the terms are
5 synonymous and because Section 392.002(a), Government
6 Code, directs the legislature to replace certain terms
7 or phrases, such as "handicapped," in any revision of a
8 statute with a preferred term or phrase, or
9 appropriate variation of the term or phrase, listed in
10 Section 392.002(b), Government Code.

11 Revised Law

12 Sec. 2022.053. COMMISSION INVESTIGATORS. (a) The
13 commission may commission as many investigators as the commission
14 determines necessary to enforce this subtitle and commission rules.

15 (b) An investigator commissioned under this section shall
16 take the constitutional oath of office and file it with the
17 commission.

18 (c) An investigator commissioned under this section has the
19 powers of a peace officer. (V.A.C.S. Art. 179e, Sec. 11.01(a-1).)

20 Source Law

21 (a-1) The commission may commission as many
22 investigators as the commission determines necessary
23 to enforce this Act and the rules of the commission.
24 Each investigator shall take the constitutional oath
25 of office and file it with the commission. Each
26 commissioned investigator has the powers of a peace
27 officer.

28 Revised Law

29 Sec. 2022.054. CAREER LADDER; PERFORMANCE EVALUATIONS. (a)
30 The executive director or the executive director's designee shall
31 develop an intra-agency career ladder program that addresses
32 opportunities for mobility and advancement for employees within the
33 commission. The program shall require intra-agency posting of all
34 positions concurrently with any public posting.

35 (b) The executive director or the executive director's
36 designee shall develop a system of annual performance evaluations
37 based on documented employee performance. All merit pay for

1 commission employees must be based on the system established under
2 this subsection. (V.A.C.S. Art. 179e, Secs. 2.19(a), (b).)

3 Source Law

4 Sec. 2.19. (a) The executive secretary or the
5 executive secretary's designee shall develop an
6 intra-agency career ladder program that addresses
7 opportunities for mobility and advancement for
8 employees within the commission. The program shall
9 require intra-agency posting of all positions
10 concurrently with any public posting.

11 (b) The executive secretary or the executive
12 secretary's designee shall develop a system of annual
13 performance evaluations that are based on documented
14 employee performance. All merit pay for commission
15 employees must be based on the system established
16 under this subsection.

17 Revised Law

18 Sec. 2022.055. EQUAL EMPLOYMENT OPPORTUNITY POLICY. (a)
19 The executive director or the executive director's designee shall
20 prepare and maintain a written policy statement to assure
21 implementation of a program of equal employment opportunity under
22 which all personnel transactions are made without regard to race,
23 color, disability, sex, religion, age, or national origin.

24 (b) The policy statement must include:

25 (1) personnel policies, including policies relating
26 to recruitment, evaluation, selection, appointment, training, and
27 promotion of personnel that comply with the requirements of Chapter
28 21, Labor Code;

29 (2) a comprehensive analysis of the commission
30 workforce that meets federal and state laws, rules, regulations,
31 and instructions directly promulgated from those laws, rules, and
32 regulations;

33 (3) procedures by which a determination can be made
34 about the extent of underuse in the commission workforce of all
35 persons for whom federal or state laws, rules, regulations, and
36 instructions directly promulgated from those laws, rules, and
37 regulations encourage a more equitable balance; and

38 (4) reasonable methods to appropriately address those
39 areas of underuse.

40 (c) The policy statement must:

- 1 (1) cover an annual period and be updated annually;
- 2 (2) be reviewed by the Texas Workforce Commission for
- 3 compliance with Subsection (b)(1); and
- 4 (3) be filed with the governor's office. (V.A.C.S.
- 5 Art. 179e, Secs. 2.19(c), (d).)

6 Source Law

7 (c) The executive secretary or the executive
8 secretary's designee shall prepare and maintain a
9 written policy statement to assure implementation of a
10 program of equal employment opportunity under which
11 all personnel transactions are made without regard to
12 race, color, disability, sex, religion, age, or
13 national origin. The policy statement must include:

14 (1) personnel policies, including
15 policies relating to recruitment, evaluation,
16 selection, appointment, training, and promotion of
17 personnel that are in compliance with the requirements
18 of Chapter 21, Labor Code;

19 (2) a comprehensive analysis of the
20 commission workforce that meets federal and state
21 laws, rules, regulations, and instructions directly
22 promulgated from those laws, rules, and regulations;

23 (3) procedures by which a determination
24 can be made about the extent of underuse in the
25 commission workforce of all persons for whom federal
26 or state laws, rules, regulations, and instructions
27 directly promulgated from those laws, rules, and
28 regulations encourage a more equitable balance; and

29 (4) reasonable methods to appropriately
30 address those areas of underuse.

31 (d) A policy statement prepared under
32 Subsection (c) of this section must cover an annual
33 period, be updated annually and reviewed by the Texas
34 Commission on Human Rights for compliance with
35 Subsection (c)(1) of this section, and be filed with
36 the governor's office.

37 Revisor's Note

38 Section 2.19(d), V.A.C.S. Article 179e, directs
39 the executive director of the Texas Racing Commission
40 to submit the director's written policy concerning the
41 implementation of a program of equal employment
42 opportunity to the Texas Commission on Human Rights.
43 In 2003 that agency was abolished and its functions
44 transferred to the Texas Workforce Commission by
45 Chapter 302 (H.B. 2933), Acts of the 78th Legislature,
46 Regular Session, 2003. Accordingly, the revised law
47 substitutes a reference to the Texas Workforce
48 Commission for the reference to the Texas Commission

1 on Human Rights.

2 Revised Law

3 Sec. 2022.056. DIVISION OF RESPONSIBILITY. The commission
4 by rule shall develop and implement policies that clearly separate
5 the policymaking responsibilities of the commission and the
6 management responsibilities of the executive director and the
7 commission staff. (V.A.C.S. Art. 179e, Sec. 2.21.)

8 Source Law

9 Sec. 2.21. The commission shall, by rule,
10 develop and implement policies that clearly separate
11 the policymaking responsibilities of the commission
12 and the management responsibilities of the executive
13 secretary and the staff of the commission.

14 Revised Law

15 Sec. 2022.057. BACKGROUND CHECKS AND QUALIFICATION
16 CRITERIA. Each person appointed to or employed by the commission is
17 subject to all background checks and qualification criteria
18 required to hold a racetrack license or other license under this
19 subtitle. (V.A.C.S. Art. 179e, Sec. 2.05(c).)

20 Source Law

21 (c) Each person appointed to or employed by the
22 commission is subject to all background checks and
23 qualification criteria required to hold a racetrack
24 license or other license under this Act.

25 Revised Law

26 Sec. 2022.058. PROHIBITION ON EMPLOYMENT OF FORMER
27 COMMISSION MEMBERS OR EMPLOYEES BY RACETRACK ASSOCIATION; CRIMINAL
28 PENALTY. (a) A racetrack association may not employ a person who
29 has been a commission member, the executive director, or a
30 commission employee in a position in the state employment
31 classification plan of grade 12 or above, or a person related within
32 the second degree by affinity or the third degree by consanguinity,
33 as determined under Chapter 573, Government Code, to such a member
34 or employee, during the one-year period immediately preceding the
35 employment by the racetrack association.

36 (b) A person may not seek or accept employment with a
37 racetrack association if the racetrack association would violate

1 this section by employing the person.

2 (c) A racetrack association or person who violates this
3 section commits an offense. (V.A.C.S. Art. 179e, Sec. 6.16.)

4 Source Law

5 Sec. 6.16. (a) An association may not employ
6 any person who has been a member of the commission, the
7 executive secretary of the commission, or an employee
8 employed by the commission in a position in the state
9 employment classification plan of grade 12 or above,
10 or any person related within the second degree by
11 affinity or the third degree by consanguinity, as
12 determined under Chapter 573, Government Code, to such
13 a member or employee, during the one-year period
14 immediately preceding the employment by the
15 association.

16 (b) A person may not seek or accept employment
17 with an association if the association would violate
18 this section by employing the person.

19 (c) An association or person who violates this
20 section commits an offense.

21 Revisor's Note

22 Section 6.16, V.A.C.S. Article 179e, refers to an
23 "association," meaning the term defined by Section
24 1.03(2), V.A.C.S. Article 179e, revised in this
25 subtitle as Section 2021.003(42), Occupations Code.
26 The revised law substitutes "racetrack association" as
27 the defined term for the reasons stated in Revisor's
28 Note (20) to Section 2021.003.

29 SUBCHAPTER C. RECORDS AND INFORMATION

30 Revised Law

31 Sec. 2022.101. PUBLIC INTEREST INFORMATION. (a) The
32 commission shall prepare information of public interest describing
33 the functions of the commission and the procedures by which
34 complaints are filed with and resolved by the commission.

35 (b) The commission shall make the information described by
36 Subsection (a) available to the public and appropriate state
37 agencies. (V.A.C.S. Art. 179e, Sec. 2.23(a).)

38 Source Law

39 Sec. 2.23. (a) The commission shall prepare
40 information of public interest describing the
41 functions of the commission and the procedures by
42 which complaints are filed with and resolved by the
43 commission. The commission shall make the information
44 available to the public and appropriate state

1 agencies.

2 Revised Law

3 Sec. 2022.102. INFORMATION RELATING TO COMPLAINT
4 PROCEDURES. (a) The commission by rule shall establish methods by
5 which racetrack patrons are notified of the name, mailing address,
6 and telephone number of the commission for the purpose of directing
7 complaints to the commission. The commission may provide the
8 notification:

9 (1) on every race performance program provided by each
10 racetrack association; or

11 (2) on signs prominently displayed in the common
12 public areas on the premises of each racetrack.

13 (b) The commission shall keep information about each
14 complaint filed with the commission. The information must include:

15 (1) the date the complaint is received;

16 (2) the name of the complainant;

17 (3) the subject matter of the complaint;

18 (4) a record of all persons contacted in relation to
19 the complaint;

20 (5) a summary of the results of the review or
21 investigation of the complaint; and

22 (6) for complaints for which the commission took no
23 action, an explanation of the reason the complaint was closed
24 without action.

25 (c) The commission shall keep a file about each written
26 complaint filed with the commission that the commission has
27 authority to resolve. The commission shall provide to the person
28 filing the complaint and to the persons who are subjects of the
29 complaint the commission's policies and procedures pertaining to
30 complaint investigation and resolution.

31 (d) The commission, at least quarterly and until final
32 disposition of a complaint, shall notify the person filing the
33 complaint and the persons who are subjects of the complaint of the
34 status of the complaint unless the notice would jeopardize an

1 undercover investigation. (V.A.C.S. Art. 179e, Secs. 2.23(b),
2 2.24.)

3 Source Law

4 [Sec. 2.23]

5 (b) The commission by rule shall establish
6 methods by which racetrack patrons are notified of the
7 name, mailing address, and telephone number of the
8 commission for the purpose of directing complaints to
9 the commission. The commission may provide for that
10 notification:

11 (1) on every race performance program
12 provided by each racetrack association; or

13 (2) on signs prominently displayed in the
14 common public areas on the premises of each racetrack
15 association.

16 Sec. 2.24. (a) The commission shall keep
17 information about each complaint filed with the
18 commission. The information shall include:

19 (1) the date the complaint is received;

20 (2) the name of the complainant;

21 (3) the subject matter of the complaint;

22 (4) a record of all persons contacted in
23 relation to the complaint;

24 (5) a summary of the results of the review
25 or investigation of the complaint; and

26 (6) for complaints for which the agency
27 took no action, an explanation of the reason the
28 complaint was closed without action.

29 (b) The commission shall keep a file about each
30 written complaint filed with the commission that the
31 agency has authority to resolve. The commission shall
32 provide to the person filing the complaint and the
33 persons or entities complained about the commission's
34 policies and procedures pertaining to complaint
35 investigation and resolution. The commission, at
36 least quarterly and until final disposition of the
37 complaint, shall notify the person filing the
38 complaint and the persons or entities complained about
39 of the status of the complaint unless the notice would
40 jeopardize an undercover investigation.

41 Revisor's Note

42 (1) Section 2.23(b), V.A.C.S. Article 179e,
43 refers to the display of certain signs on the "premises
44 of each racetrack association." The revised law
45 defines "racetrack association" as "a person licensed
46 under this subtitle to conduct a horse race meeting or
47 a greyhound race meeting with pari-mutuel wagering"
48 (Section 2021.003(42)), and defines "racetrack" as "a
49 facility licensed under this subtitle for the conduct
50 of pari-mutuel wagering . . ." (Section
51 2021.003(41)). Because it is clear from the context of
52 Section 2.23(b) that the reference to the display of

1 signs applies to the premises of a facility and not the
2 premises of a person, the revised law substitutes
3 "racetrack" for "racetrack association."

4 (2) Section 2.24(b), V.A.C.S. Article 179e,
5 refers to "persons or entities." Throughout this
6 chapter, the revised law substitutes "person" for the
7 quoted language or similar language because the
8 definition of "person" in Section 1.03(1), V.A.C.S.
9 Article 179e, revised in this subtitle as Section
10 2021.003(36), means "any individual or entity capable
11 of holding a legal or beneficial interest in
12 property."

13 Revised Law

14 Sec. 2022.103. COMMISSION INVESTIGATIVE FILES
15 CONFIDENTIAL. (a) The contents of the investigatory files of the
16 commission are not public records and are confidential except:

- 17 (1) in a criminal proceeding;
18 (2) in a hearing conducted by the commission;
19 (3) on court order; or
20 (4) with the consent of the party being investigated.

21 (b) Except as otherwise provided by this subtitle, the
22 files, records, information, compilations, documents, photographs,
23 reports, summaries, and reviews of information and related matters
24 that are collected, retained, or compiled by the Department of
25 Public Safety in the discharge of the department's duties under
26 this subtitle are confidential and are not subject to public
27 disclosure, but are subject to discovery by a person who is the
28 subject of the files, records, information, compilations,
29 documents, photographs, reports, summaries, and reviews of
30 information and related matters that are collected, retained, or
31 compiled by the department in the discharge of the department's
32 duties under this subtitle.

33 (c) An investigation report or other document submitted by
34 the Department of Public Safety to the commission becomes part of

1 the investigative files of the commission and is subject to
2 discovery by a person who is the subject of the investigation report
3 or other document submitted by the department to the commission
4 that is part of the investigative files of the commission.

5 (d) Information that is in a form available to the public is
6 not privileged or confidential under this section and is subject to
7 public disclosure. (V.A.C.S. Art. 179e, Secs. 2.15(b), 2.16.)

8 Source Law

9 [Sec. 2.15]

10 (b) The contents of the investigatory files of
11 the commission are not public records and are
12 confidential except in a criminal proceeding, in a
13 hearing conducted by the commission, on court order,
14 or with the consent of the party being investigated.

15 Sec. 2.16. (a) Except as otherwise provided by
16 this Act, the files, records, information,
17 compilations, documents, photographs, reports,
18 summaries, and reviews of information and related
19 matters that are collected, retained, or compiled by
20 the Department of Public Safety in the discharge of its
21 duties under this Act are confidential and are not
22 subject to public disclosure, but are subject to
23 discovery by a person that is the subject of the files,
24 records, information, compilations, documents,
25 photographs, reports, summaries, and reviews of
26 information and related matters that are collected,
27 retained, or compiled by the Department of Public
28 Safety in the discharge of its duties under this Act.

29 (b) An investigation report or other document
30 submitted by the Department of Public Safety to the
31 commission becomes part of the investigative files of
32 the commission and is subject to discovery by a person
33 that is the subject of the investigation report or
34 other document submitted by the Department of Public
35 Safety to the commission that is part of the
36 investigative files of the commission.

37 (c) Information that is in a form available to
38 the public is not privileged or confidential under
39 this section and is subject to public disclosure.

40 Revised Law

41 Sec. 2022.104. INTERAGENCY SHARING OF RECORDS. The
42 commission may share with another regulatory agency of this state
43 any investigatory file information that creates a reasonable
44 suspicion of a person's violation of a law or rule under that
45 agency's jurisdiction. The agency may use the information as if it
46 was obtained through that agency's investigatory process.
47 (V.A.C.S. Art. 179e, Sec. 2.15(c).)

1 because rules adopted by the commission are presumed
2 to be reasonable.

3 Revised Law

4 Sec. 2022.106. PUBLIC INSPECTION OF RECORDS. (a) All
5 commission records that are not made confidential by other law are
6 open to inspection by the public during regular office hours.

7 (b) The commission shall maintain all applications for a
8 license under this subtitle and make the applications available for
9 public inspection during regular office hours. (V.A.C.S. Art. 179e,
10 Sec. 2.15(a).)

11 Source Law

12 Sec. 2.15. (a) All records of the commission
13 that are not made confidential by other law are open to
14 inspection by the public during regular office hours.
15 All applications for a license under this Act shall be
16 maintained by the commission and shall be available
17 for public inspection during regular office hours.

18 CHAPTER 2023. COMMISSION AND RACE MEETING OFFICIAL POWERS AND
19 DUTIES

20 SUBCHAPTER A. REGULATION, SUPERVISION, AND LICENSING RELATING TO
21 HORSE RACING AND GREYHOUND RACING

22	Sec. 2023.001.	LICENSING, REGULATION, AND SUPERVISION	
23		OF HORSE RACING AND GREYHOUND RACING	57
24	Sec. 2023.002.	REGULATION AND SUPERVISION OF WAGERING	
25		AT RACE MEETINGS	57
26	Sec. 2023.003.	OTHER LICENSING AND REGULATION: RULES	
27		AND FEES	58
28	Sec. 2023.004.	COMMISSION RULES	59
29	Sec. 2023.005.	LIMITATION ON RULES RESTRICTING	
30		COMPETITIVE BIDDING OR ADVERTISING	60
31	Sec. 2023.006.	CONSIDERATION OF PAST PERFORMANCE OF	
32		RACETRACK ASSOCIATION	61
33	Sec. 2023.007.	RIGHT OF ENTRY	62
34	Sec. 2023.008.	TESTIMONY AND SUBPOENA POWER	62
35	Sec. 2023.009.	JUDICIAL REVIEW OF COMMISSION ORDER	64

1	SUBCHAPTER B. GENERAL POWERS AND DUTIES		
2	Sec. 2023.051.	RECOGNITION OF ORGANIZATION	64
3	Sec. 2023.052.	SECURITY FOR FEES AND CHARGES	65
4	Sec. 2023.053.	TEXAS RACING COMMISSION FUND;	
5		ADDITIONAL APPROPRIATIONS	65
6	Sec. 2023.054.	COMMISSION STANDARDS ON GREYHOUND FARMS	
7		AND FACILITIES	67
8	Sec. 2023.055.	REPORT OF VIOLATION	67
9	Sec. 2023.056.	COOPERATION WITH LAW ENFORCEMENT	67
10	Sec. 2023.057.	ACCESS TO CRIMINAL HISTORY RECORDS	68
11	Sec. 2023.058.	COST OF CRIMINAL HISTORY RECORD CHECK	68
12	Sec. 2023.059.	DISTANCE LEARNING	68
13	Sec. 2023.060.	CERTIFIED DOCUMENTS	69
14	Sec. 2023.061.	ANNUAL REPORT	69
15	SUBCHAPTER C. EMPLOYMENT OF AND SUPERVISION BY RACE MEETING		
16	OFFICIALS		
17	Sec. 2023.101.	EMPLOYMENT OF STEWARDS AND JUDGES	70
18	Sec. 2023.102.	STEWARDS AND JUDGE EXAMINATIONS	71
19	Sec. 2023.103.	EMPLOYMENT OF STATE VETERINARIANS	71
20	Sec. 2023.104.	RACE MEETING OFFICIAL COMPENSATION AND	
21		FEE	71
22	Sec. 2023.105.	EMPLOYMENT OF OTHER RACETRACK OFFICIALS	72
23	Sec. 2023.106.	RACE MEETING OFFICIAL POWERS AND	
24		DUTIES; RULES	72
25	Sec. 2023.107.	EXECUTIVE DIRECTOR REVIEW AND	
26		MODIFICATION OF PENALTY	73
27	Sec. 2023.108.	FINAL DECISION; AVAILABILITY OF APPEAL	74
28	Sec. 2023.109.	APPEAL FROM DECISION OF RACE MEETING	
29		OFFICIAL; DECISIONS NOT APPEALABLE	74
30	CHAPTER 2023. COMMISSION AND RACE MEETING OFFICIAL POWERS AND		
31	DUTIES		
32	SUBCHAPTER A. REGULATION, SUPERVISION, AND LICENSING RELATING TO		
33	HORSE RACING AND GREYHOUND RACING		

1 Revised Law

2 Sec. 2023.001. LICENSING, REGULATION, AND SUPERVISION OF
3 HORSE RACING AND GREYHOUND RACING. (a) Notwithstanding any
4 contrary provision in this subtitle, the commission may license and
5 regulate all aspects of horse racing and greyhound racing in this
6 state, regardless of whether that racing involves pari-mutuel
7 wagering.

8 (b) The commission, in adopting rules and in the supervision
9 and conduct of racing, shall consider the effect of a proposed
10 commission action on the state's agricultural, horse breeding,
11 horse training, greyhound breeding, and greyhound training
12 industry. (V.A.C.S. Art. 179e, Secs. 3.02(g), 3.021(a).)

13 Source Law

14 [Sec. 3.02]

15 (g) The commission, in adopting rules and in the
16 supervision and conduct of racing, shall consider the
17 effect of a proposed commission action on the state's
18 agricultural, horse breeding, horse training,
19 greyhound breeding, and greyhound training industry.

20 Sec. 3.021. (a) Any provision in this Act to
21 the contrary notwithstanding, the commission may
22 license and regulate all aspects of greyhound racing
23 and horse racing in this state, whether or not that
24 racing involves pari-mutuel wagering.

25 Revised Law

26 Sec. 2023.002. REGULATION AND SUPERVISION OF WAGERING AT
27 RACE MEETINGS. (a) The commission shall regulate and supervise
28 each race meeting in this state that involves wagering on the result
29 of horse racing or greyhound racing. Each person and thing relating
30 to the operation of a race meeting is subject to regulation and
31 supervision by the commission.

32 (b) The commission shall adopt rules, issue licenses, and
33 take any other necessary action relating exclusively to horse
34 racing or greyhound racing. (V.A.C.S. Art. 179e, Sec. 3.02(a)
35 (part).)

36 Source Law

37 Sec. 3.02. (a) The commission shall regulate
38 and supervise every race meeting in this state
39 involving wagering on the result of greyhound or horse
40 racing. All persons and things relating to the
41 operation of those meetings are subject to regulation

1 and supervision by the commission. . . . The
2 commission shall also make rules, issue licenses, and
3 take any other necessary action relating exclusively
4 to horse racing or to greyhound racing.

5 Revisor's Note

6 Section 3.02(a), V.A.C.S. Article 179e, provides
7 that the commission shall "make rules" relating to
8 horse racing or greyhound racing. The revised law
9 substitutes "adopt" for "make" because the terms are
10 synonymous and the former is more commonly used.

11 Revised Law

12 Sec. 2023.003. OTHER LICENSING AND REGULATION: RULES AND
13 FEES. (a) The commission may adopt rules for the licensing and
14 regulation of races and workouts at tracks that do not offer
15 pari-mutuel wagering and for workouts at training facilities to
16 secure past performances and workouts to:

17 (1) protect the health, safety, and welfare of race
18 animals and participants in racing;

19 (2) safeguard the interest of the general public; and

20 (3) promote the orderly conduct of racing in this
21 state.

22 (b) The commission may charge an annual fee for licensing
23 and regulating a track that does not offer pari-mutuel wagering or a
24 training facility in a reasonable amount that may not exceed the
25 actual cost of enforcing rules adopted for the licensing and
26 regulation of races and workouts at such a facility. (V.A.C.S. Art.
27 179e, Secs. 3.021(b), (c).)

28 Source Law

29 (b) To protect the health, safety, and welfare
30 of race animals and participants in racing, to
31 safeguard the interest of the general public, and to
32 promote the orderly conduct of racing within the
33 state, the commission may adopt rules for the
34 licensing and regulation of races and workouts at
35 racetracks that do not offer pari-mutuel wagering and
36 for workouts at training facilities to secure past
37 performances and workouts.

38 (c) The commission may charge an annual fee for
39 licensing and regulating a racetrack that does not
40 offer pari-mutuel wagering or a training facility in a
41 reasonable amount that may not exceed the actual cost
42 of enforcing rules adopted for the licensing and
43 regulation of races and workouts at such a facility.

1 Revisor's Note

2 Sections 3.021(b) and (c), V.A.C.S. Article 179e,
3 refer to the licensing and regulation of "racetracks"
4 that do not offer pari-mutuel wagering. For clarity
5 and consistency, the revised law substitutes "track"
6 for "racetrack" because "racetrack" is defined for
7 purposes of this subtitle in Section 1.03(25),
8 V.A.C.S. Article 179e, revised in this subtitle as
9 Section 2021.003(41), as "a facility that is licensed
10 under this Act for the conduct of pari-mutuel wagering
11 on greyhound racing or horse racing."

12 Revised Law

13 Sec. 2023.004. COMMISSION RULES. (a) The commission shall
14 adopt:

15 (1) rules for conducting horse racing or greyhound
16 racing in this state that involves wagering; and

17 (2) rules for administering this subtitle in a manner
18 consistent with this subtitle.

19 (b) The commission may establish separate sections to
20 review or propose commission rules.

21 (c) The commission or a commission section shall hold a
22 meeting on a proposed rule before the commission publishes the
23 proposed rule in the Texas Register.

24 (d) The commission shall post at each racetrack notice of a
25 meeting under Subsection (c) that includes an agenda of the meeting
26 and a summary of the proposed rule.

27 (e) A copy of a proposed rule published in the Texas
28 Register shall be posted concurrently at each racetrack.

29 (f) The commission or a commission section may appoint a
30 committee of experts, members of the public, or other interested
31 parties to advise the commission or section about a proposed
32 commission rule. (V.A.C.S. Art. 179e, Secs. 3.02(a) (part), (b),
33 (c), (d), (e), (f).)

1 Source Law

2 (a) . . . The commission shall adopt rules for
3 conducting greyhound or horse racing in this state
4 involving wagering and shall adopt other rules to
5 administer this Act that are consistent with this
6 Act. . . .

7 (b) The commission may establish separate
8 sections to review or propose rules of the commission.

9 (c) The commission or a section of the
10 commission shall hold a meeting on any proposed rule
11 before the commission publishes the proposed rule in
12 the Texas Register.

13 (d) The commission shall post notice of a
14 meeting under Subsection (c) of this section at each
15 racetrack facility. The notice shall include an
16 agenda of the meeting and a summary of the proposed
17 rule.

18 (e) A copy of a proposed rule published in the
19 Texas Register shall also be posted concurrently at
20 each racetrack facility.

21 (f) The commission or a section of the
22 commission may appoint a committee of experts, members
23 of the public, or other interested parties to advise
24 the commission or section of the commission about a
25 proposed rule of the commission.

26 Revisor's Note

27 Section 3.02(d), V.A.C.S. Article 179e, refers to
28 a "racetrack facility." Throughout this chapter, the
29 revised law substitutes "racetrack" for "racetrack
30 facility" for the reasons stated in Revisor's Note (19)
31 to Section 2021.003, Occupations Code.

32 Revised Law

33 Sec. 2023.005. LIMITATION ON RULES RESTRICTING COMPETITIVE
34 BIDDING OR ADVERTISING. The commission may not adopt rules
35 restricting competitive bidding or advertising by a license holder
36 except to prohibit false, misleading, or deceptive practices.
37 Commission rules to prohibit false, misleading, or deceptive
38 practices may not:

39 (1) restrict the use of any medium for advertising;

40 (2) restrict the use of a license holder's personal
41 appearance or voice in an advertisement;

42 (3) relate to the size or duration of an advertisement
43 by the license holder; or

44 (4) restrict the license holder's advertisement under
45 a trade name. (V.A.C.S. Art. 179e, Sec. 3.021(d).)

1 not create a presumption that components not expressed
2 are excluded.

3 Revised Law

4 Sec. 2023.007. RIGHT OF ENTRY. A commission member, an
5 authorized commission agent, a commissioned officer of the
6 Department of Public Safety, or a peace officer of the local
7 jurisdiction in which a racetrack association maintains a place of
8 business may enter any part of a racetrack or any other place of
9 business of a racetrack association at any time to enforce and
10 administer this subtitle. (V.A.C.S. Art. 179e, Sec. 3.03.)

11 Source Law

12 Sec. 3.03. A member of the commission, an
13 authorized agent of the commission, a commissioned
14 officer of the Department of Public Safety, or a peace
15 officer of the local jurisdiction in which the
16 association maintains a place of business may enter
17 any part of the racetrack facility or any other place
18 of business of an association at any time for the
19 purpose of enforcing and administering this Act.

20 Revisor's Note

21 Section 3.03, V.A.C.S. Article 179e, refers to an
22 "association," meaning the term defined by Section
23 1.03(2), V.A.C.S. Article 179e, revised in this
24 subtitle as Section 2021.003(42). Throughout this
25 chapter, the revised law substitutes "racetrack
26 association" as the defined term for the reasons
27 stated in Revisor's Note (20) to Section 2021.003.

28 Revised Law

29 Sec. 2023.008. TESTIMONY AND SUBPOENA POWER. (a) For
30 purposes of this section, "agent" means an appointed agent of the
31 commission.

32 (b) A commission member or an agent, while involved in
33 carrying out functions under this subtitle, may:

- 34 (1) take testimony;
35 (2) require by subpoena the attendance of a witness;

36 and

- 37 (3) require the production of books, records, papers,

1 correspondence, and other documents that the commission considers
2 advisable.

3 (c) A subpoena must be issued under the signature of the
4 commission or an agent. A person designated by the commission must
5 serve the subpoena.

6 (d) A commission member or an agent may administer an oath
7 to a witness appearing before the commission or an agent.

8 (e) If a subpoena issued under this section is disobeyed,
9 the commission or an agent may invoke the aid of a Travis County
10 district court in requiring compliance with the subpoena. A Travis
11 County district court may issue an order requiring the person to
12 appear and testify and to produce books, records, papers,
13 correspondence, and documents. Failure to obey the court order
14 shall be punished by the court as contempt. (V.A.C.S. Art. 179e,
15 Sec. 3.05; New.)

16 Source Law

17 Sec. 3.05. (a) A member of the commission, or a
18 duly appointed agent of the commission, while involved
19 in carrying out functions under this Act, may take
20 testimony and may require by subpoena the attendance
21 of witnesses and the production of books, records,
22 papers, correspondence, and other documents that the
23 commission considers advisable. Subpoenas shall be
24 issued under the signature of the commission or its
25 duly appointed agent and shall be served by any person
26 designated by the commission. A member of the
27 commission, or a duly appointed agent of the
28 commission, may administer oaths or affirmations to
29 witnesses appearing before the commission or its
30 agents.

31 (b) If a subpoena issued under this section is
32 disobeyed, the commission or its duly appointed agent
33 may invoke the aid of a Travis County district court in
34 requiring compliance with the subpoena. A Travis
35 County district court may issue an order requiring the
36 person to appear and testify and to produce books,
37 records, papers, correspondence, and documents.
38 Failure to obey the order of the court shall be
39 punished by the court as contempt.

40 Revisor's Note

41 (1) Section 3.05, V.A.C.S. Article 179e, refers
42 to a "duly appointed agent" of the commission. The
43 revised law adds a definition of "agent" for drafting
44 convenience and to eliminate frequent, unnecessary
45 repetition of the substance of the definition. The

1 revised law omits the term "duly" from the definition
2 of "agent" because an individual who is not properly
3 appointed as an agent of the commission is not a
4 commission agent.

5 (2) Section 3.05(a), V.A.C.S. Article 179e,
6 refers to "oaths or affirmations." The revised law
7 omits the reference to "affirmations" because Section
8 311.005(1), Government Code (Code Construction Act),
9 applicable to the revised law, states that an oath
10 includes an affirmation.

11 Revised Law

12 Sec. 2023.009. JUDICIAL REVIEW OF COMMISSION ORDER. (a)
13 Judicial review of a commission order is under the substantial
14 evidence rule.

15 (b) Venue for judicial review of a commission order is in a
16 district court in Travis County. (V.A.C.S. Art. 179e, Sec. 5.02.)

17 Source Law

18 Sec. 5.02. (a) Judicial review of an order of
19 the commission is under the substantial evidence rule.

20 (b) Venue for judicial review of an order of the
21 commission is in a district court in Travis County.

22 SUBCHAPTER B. GENERAL POWERS AND DUTIES

23 Revised Law

24 Sec. 2023.051. RECOGNITION OF ORGANIZATION. (a) The
25 commission by rule shall adopt criteria to recognize an
26 organization to represent members of a segment of the racing
27 industry, including owners, breeders, trainers, kennel operators,
28 or other persons involved in the racing industry, in any
29 interaction between the members of the organization and a racetrack
30 association or the commission.

31 (b) The commission may recognize an organization that meets
32 the criteria adopted under Subsection (a). (V.A.C.S. Art. 179e,
33 Sec. 3.13.)

34 Source Law

35 Sec. 3.13. (a) The commission by rule shall
36 adopt criteria to recognize an organization to

1 represent members of a segment of the racing industry,
2 including owners, breeders, trainers, kennel
3 operators, or other persons involved in the racing
4 industry, in any interaction between the members of
5 the organization and an association or the commission.

6 (b) The commission may recognize an
7 organization that meets the requirements of Subsection
8 (a) of this section.

9 Revisor's Note

10 Section 3.13(a), V.A.C.S. Article 179e, directs
11 the Texas Racing Commission to adopt by rule
12 "criteria" to recognize an organization to represent
13 members of a segment of the racing industry. Section
14 3.13(b), V.A.C.S. Article 179e, provides that the
15 commission may recognize an organization that meets
16 the "requirements of Subsection (a) of this section."
17 For clarity and for the convenience of the reader, the
18 revised law substitutes the phrase "criteria adopted
19 under Subsection (a)" for the quoted phrase.

20 Revised Law

21 Sec. 2023.052. SECURITY FOR FEES AND CHARGES. The
22 commission may require a racetrack association to post security in
23 an amount and form determined by the commission to adequately
24 ensure the payment of any fee or charge due to this state or the
25 commission relating to pari-mutuel racing, including a charge for
26 drug testing. (V.A.C.S. Art. 179e, Sec. 3.17.)

27 Source Law

28 Sec. 3.17. The commission may require an
29 association to post security in an amount and form
30 determined by the commission to adequately ensure the
31 payment of any fees or charges due to the state or the
32 commission relating to pari-mutuel racing, including
33 charges for drug testing.

34 Revised Law

35 Sec. 2023.053. TEXAS RACING COMMISSION FUND; ADDITIONAL
36 APPROPRIATIONS. (a) The commission shall deposit the money it
37 collects under this subtitle in the state treasury to the credit of
38 a special fund to be known as the Texas Racing Commission fund.

39 (b) The Texas Racing Commission fund may be appropriated
40 only for the administration and enforcement of this subtitle.

1 (c) Any unappropriated money exceeding \$750,000 that
2 remains in the fund at the close of each state fiscal biennium shall
3 be transferred to the general revenue fund and may be appropriated
4 for any purpose.

5 (d) The legislature may appropriate money from the general
6 revenue fund for the administration and enforcement of this
7 subtitle.

8 (e) Any amount of general revenue appropriated for the
9 administration and enforcement of this subtitle in excess of the
10 cumulative amount deposited in the Texas Racing Commission fund
11 shall be reimbursed from the Texas Racing Commission fund not later
12 than the first anniversary of the date the general revenue funds are
13 appropriated, with 6.75 percent interest. All payments made under
14 this subsection are first attributable to interest accumulated
15 under this subsection. (V.A.C.S. Art. 179e, Sec. 3.09(b).)

16 Source Law

17 (b) The commission shall deposit the money it
18 collects under this Act in the State Treasury to the
19 credit of a special fund to be known as the Texas
20 Racing Commission fund. The Texas Racing Commission
21 fund may be appropriated only for the administration
22 and enforcement of this Act. Any unappropriated money
23 exceeding \$750,000 that remains in the fund at the
24 close of each fiscal biennium shall be transferred to
25 the General Revenue Fund and may be appropriated for
26 any legal purpose. The legislature may also
27 appropriate money from the General Revenue Fund for
28 the administration and enforcement of this Act. Any
29 amount of general revenue appropriated for the
30 administration and enforcement of this Act in excess
31 of the cumulative amount deposited in the Texas Racing
32 Commission fund shall be reimbursed from the Texas
33 Racing Commission fund not later than one year after
34 the date on which the general revenue funds are
35 appropriated, with 6-3/4 percent interest with all
36 payments first attributable to interest.

37 Revisor's Note

38 Section 3.09(b), V.A.C.S. Article 179e, requires
39 that any money remaining in the Texas Racing
40 Commission fund in an amount that exceeds \$750,000 be
41 transferred to the general revenue fund to be
42 appropriated for "any legal purpose." The revised law
43 omits the term "legal" as unnecessary because, as a

1 general principle of law, money may only be
2 appropriated from the general revenue fund for legal
3 purposes.

4 Revised Law

5 Sec. 2023.054. COMMISSION STANDARDS ON GREYHOUND FARMS AND
6 FACILITIES. The commission shall adopt standards relating to the
7 operation of greyhound farms or other facilities where greyhounds
8 are raised for pari-mutuel racing. (V.A.C.S. Art. 179e, Sec.
9 10.04(b).)

10 Source Law

11 (b) The commission shall adopt standards
12 relating to the operation of greyhound farms or other
13 facilities where greyhounds are raised for pari-mutuel
14 racing.

15 Revised Law

16 Sec. 2023.055. REPORT OF VIOLATION. The commission's rules
17 must allow anonymous reporting of a violation of this subtitle or of
18 a commission rule. (V.A.C.S. Art. 179e, Sec. 3.12.)

19 Source Law

20 Sec. 3.12. The commission's rules shall allow
21 anonymous reporting of violations of this Act or of
22 rules adopted by the commission.

23 Revised Law

24 Sec. 2023.056. COOPERATION WITH LAW ENFORCEMENT. (a) The
25 commission shall cooperate with a district attorney, a criminal
26 district attorney, a county attorney, the Department of Public
27 Safety, the attorney general, or a peace officer in enforcing this
28 subtitle.

29 (b) The commission, under commission authority to obtain
30 criminal history record information under Section 2023.057, shall
31 maintain and exchange pertinent intelligence data with other states
32 and agencies. (V.A.C.S. Art. 179e, Sec. 3.11.)

33 Source Law

34 Sec. 3.11. The commission shall cooperate with
35 all district attorneys, criminal district attorneys,
36 county attorneys, the Department of Public Safety, the
37 attorney general, and all peace officers in enforcing
38 this Act. Under its authority to conduct criminal
39 history information record checks under Section 5.04

1 of this Act, the commission shall maintain and
2 exchange pertinent intelligence data with other states
3 and agencies.

4 Revised Law

5 Sec. 2023.057. ACCESS TO CRIMINAL HISTORY RECORDS. The
6 commission may obtain criminal history record information that
7 relates to each applicant for employment by the commission and to
8 each applicant for a license issued by the commission and that is
9 maintained by the Department of Public Safety or the Federal Bureau
10 of Investigation Identification Division. The commission may
11 refuse to recommend an applicant who fails to provide a complete set
12 of fingerprints. (V.A.C.S. Art. 179e, Sec. 5.04.)

13 Source Law

14 Sec. 5.04. (a) The commission is authorized to
15 obtain any criminal history record information that
16 relates to each applicant for employment by the
17 commission and to each applicant for a license issued
18 by the commission and that is maintained by the
19 Department of Public Safety or the Federal Bureau of
20 Investigation Identification Division. The
21 commission may refuse to recommend an applicant who
22 fails to provide a complete set of fingerprints.

23 Revised Law

24 Sec. 2023.058. COST OF CRIMINAL HISTORY RECORD CHECK. (a)
25 The commission shall, in determining the amount of a license fee,
26 set the fee in at least an amount necessary to cover the cost of
27 conducting a criminal history record check on a license applicant.

28 (b) The commission shall reimburse the Department of Public
29 Safety for the cost of conducting a criminal history record check
30 under this subtitle. (V.A.C.S. Art. 179e, Sec. 5.05.)

31 Source Law

32 Sec. 5.05. (a) The commission shall, in
33 determining the amount of a license fee, set the fee in
34 an amount that will cover, at least, the cost of
35 conducting a criminal history check on the applicant
36 for a license.

37 (b) The commission shall reimburse the
38 Department of Public Safety for the cost of conducting
39 a criminal history check under this article.

40 Revised Law

41 Sec. 2023.059. DISTANCE LEARNING. The commission may
42 provide assistance to members of the racing industry who are
43 attempting to develop or implement adult, youth, or continuing

1 education programs that use distance learning. (V.A.C.S. Art.
2 179e, Sec. 18.08.)

3 Source Law

4 Sec. 18.08. The commission may provide
5 assistance to members of the racing industry who are
6 attempting to develop or implement adult, youth, or
7 continuing education programs that use distance
8 learning.

9 Revised Law

10 Sec. 2023.060. CERTIFIED DOCUMENTS. Instead of requiring
11 an affidavit or other sworn statement in an application or other
12 document that must be filed with the commission, the commission may
13 require a certification of the document under penalty of perjury in
14 the form prescribed by the commission. (V.A.C.S. Art. 179e, Sec.
15 3.06.)

16 Source Law

17 Sec. 3.06. Instead of requiring an affidavit or
18 other sworn statement in any application or other
19 document required to be filed with the commission, the
20 commission may require a certification of the document
21 under penalty of perjury in the form the commission may
22 prescribe.

23 Revised Law

24 Sec. 2023.061. ANNUAL REPORT. (a) Not later than January
25 31 of each year, the commission shall file a report with the
26 governor, lieutenant governor, and speaker of the house of
27 representatives.

28 (b) The report must cover the operations of the commission
29 and the condition of horse breeding and racing and greyhound
30 breeding and racing during the previous year.

31 (c) The commission shall obtain from the Department of
32 Public Safety a comprehensive report of any organized crime
33 activities in this state that the department may wish to report and
34 information concerning illegal gambling that may be known to exist
35 in this state. The commission shall include in the annual report
36 the department's report and any recommendations the commission
37 considers appropriate. (V.A.C.S. Art. 179e, Sec. 3.10.)

1 Revised Law

2 Sec. 2023.102. STEWARD AND JUDGE EXAMINATIONS. (a) The
3 commission shall require each steward or judge to annually take and
4 pass a written examination and a medical examination.

5 (b) The commission by rule shall prescribe the methods and
6 procedures for taking the examinations and the standards for
7 passing.

8 (c) Failure to pass an examination is a ground for refusal
9 to issue an original or renewal license to a steward or judge or for
10 suspension or revocation of the license. (V.A.C.S. Art. 179e, Sec.
11 3.07(c).)

12 Source Law

13 (c) The commission shall require each steward or
14 judge to take and pass both a written examination and a
15 medical examination annually. The commission by rule
16 shall prescribe the methods and procedures for taking
17 the examinations and the standards for passing.
18 Failure to pass an examination is a ground for refusal
19 to issue an original or renewal license to a steward or
20 judge or for suspension or revocation of such a
21 license.

22 Revised Law

23 Sec. 2023.103. EMPLOYMENT OF STATE VETERINARIANS. For each
24 race meeting, the commission shall employ at least one state
25 veterinarian. (V.A.C.S. Art. 179e, Sec. 3.07(a) (part).)

26 Source Law

27 (a) . . . For each race meeting, the commission
28 shall employ at least one state veterinarian. . . .

29 Revised Law

30 Sec. 2023.104. RACE MEETING OFFICIAL COMPENSATION AND FEE.

31 (a) The commission by rule may impose a fee on a racetrack
32 association to offset the costs of compensating each steward,
33 judge, and state veterinarian.

34 (b) The fee amount for compensating each steward, judge, and
35 state veterinarian must be reasonable according to industry
36 standards for the compensation of those officials at other
37 racetracks and may not exceed the actual cost to the commission for
38 compensating the officials. (V.A.C.S. Art. 179e, Sec. 3.07(a))

1 (part).)

2 Source Law

3 (a) . . . The commission may, by rule, impose a
4 fee on an association to offset the costs of
5 compensating the stewards, judges, and state
6 veterinarians. The amount of the fee for the
7 compensation of stewards, judges, and state
8 veterinarians must be reasonable according to industry
9 standards for the compensation of those officials at
10 other racetracks and may not exceed the actual cost to
11 the commission for compensating the officials. . . .

12 Revised Law

13 Sec. 2023.105. EMPLOYMENT OF OTHER RACETRACK OFFICIALS.
14 The racetrack association shall appoint, with the commission's
15 approval, all racetrack officials other than the officials listed
16 in Section 2023.104. Compensation for officials not compensated by
17 the commission is determined by the racetrack association.
18 (V.A.C.S. Art. 179e, Sec. 3.07(a) (part).)

19 Source Law

20 (a) . . . All other racetrack officials shall be
21 appointed by the association, with the approval of the
22 commission. Compensation for those officials not
23 compensated by the commission shall be determined by
24 the association.

25 Revised Law

26 Sec. 2023.106. RACE MEETING OFFICIAL POWERS AND DUTIES;
27 RULES. (a) A steward or judge may on any day exercise the
28 supervisory authority granted the steward or judge under this
29 subtitle or commission rule, including the performance of
30 supervisory acts requiring the exercise of discretion.

31 (b) The commission shall adopt rules that specify the power
32 and duties of each race meeting official, including the power of a
33 steward or judge to impose penalties for unethical practices or
34 violations of racing rules.

35 (c) A penalty imposed by a steward or judge may include a
36 fine of not more than \$25,000, a suspension not to exceed five
37 years, or both a fine and suspension.

38 (d) Before imposing a penalty under this section, a steward
39 or judge shall conduct a hearing that is consistent with
40 constitutional due process. A hearing conducted by a steward or

1 judge under this section is not subject to Chapter 2001, Government
2 Code. (V.A.C.S. Art. 179e, Secs. 3.07(b) (part), (g).)

3 Source Law

4 (b) The commission shall make rules specifying
5 the authority and the duties of each official,
6 including the power of stewards or judges to impose
7 penalties for unethical practices or violations of
8 racing rules. A penalty imposed by the stewards or
9 judges may include a fine of not more than \$25,000, a
10 suspension for not more than five years, or both a fine
11 and suspension. Before imposing a penalty under this
12 subsection, the stewards and judges shall conduct a
13 hearing that is consistent with constitutional due
14 process. A hearing conducted by a steward or judge
15 under this subsection is not subject to Chapter 2001,
16 Government Code. . . .

17 (g) A steward or judge may exercise the
18 supervisory authority granted the steward or judge
19 under this Act or commission rule, including the
20 performance of supervisory acts requiring the exercise
21 of discretion, on any day.

22 Revisor's Note

23 Section 3.07(b), V.A.C.S. Article 179e, provides
24 that the commission shall make rules "specifying the
25 authority" of a steward or judge to impose a penalty.
26 The revised law substitutes "power" for "authority"
27 because the terms are synonymous and the former is more
28 commonly used.

29 Revised Law

30 Sec. 2023.107. EXECUTIVE DIRECTOR REVIEW AND MODIFICATION
31 OF PENALTY. (a) A decision of a steward or judge is subject to
32 review by the executive director, who may modify the penalty.

33 (b) A penalty modified by the executive director under this
34 section may include a fine of not more than \$100,000, a suspension
35 not to exceed five years, or both a fine and a suspension.
36 (V.A.C.S. Art. 179e, Sec. 3.07(b) (part).)

37 Source Law

38 (b) . . . A decision of a steward or judge is
39 subject to review by the executive director, who may
40 modify the penalty. A penalty modified by the
41 executive director under this section may include a
42 fine not to exceed \$100,000, a suspension not to exceed
43 five years, or both a fine and a suspension. . . .

1 Revised Law

2 Sec. 2023.108. FINAL DECISION; AVAILABILITY OF APPEAL. (a)
3 A decision of a steward or judge that is not reviewed or modified by
4 the executive director is a final decision.

5 (b) Any decision of a steward or judge may be appealed under
6 Section 2023.109 regardless of whether the decision is modified by
7 the executive director. (V.A.C.S. Art. 179e, Sec. 3.07(b) (part).)

8 Source Law

9 (b) . . . A decision of a steward or judge that
10 is not reviewed or modified by the executive director
11 is a final decision. Any decision of a steward or
12 judge may be appealed under Section 3.08(a) of this Act
13 regardless of whether the decision is modified by the
14 executive director.

15 Revised Law

16 Sec. 2023.109. APPEAL FROM DECISION OF RACE MEETING
17 OFFICIAL; DECISIONS NOT APPEALABLE. (a) Except as provided by
18 Subsection (b), a final decision of the stewards or judges may be
19 appealed to the commission in the manner provided for a contested
20 case under Chapter 2001, Government Code.

21 (b) A decision of the stewards or judges on a
22 disqualification for a foul in a race or on a finding of fact
23 regarding the running of a race is final and may not be appealed.
24 (V.A.C.S. Art. 179e, Sec. 3.08.)

25 Source Law

26 Sec. 3.08. (a) Except as provided by Subsection
27 (b) of this section, a final decision of the stewards
28 or judges may be appealed to the commission in the
29 manner provided for a contested case under the
30 Administrative Procedure and Texas Register Act
31 (Article 6252-13a, Vernon's Texas Civil Statutes).

32 (b) A decision of the stewards or judges on a
33 disqualification for a foul in a race or on a finding
34 of fact regarding the running of a race is final and
35 may not be appealed.

36 Revisor's Note

37 Section 3.08(a), V.A.C.S. Article 179e,
38 references "the Administrative Procedure and Texas
39 Register Act (Article 6252-13a, Vernon's Texas Civil
40 Statutes)." The administrative procedure sections of
41 that statute were codified in 1993 as Chapter 2001,

1 Government Code. The revised law is drafted
2 accordingly.

3 CHAPTER 2024. POWERS AND DUTIES OF COMPTROLLER

4 SUBCHAPTER A. GENERAL POWERS AND DUTIES

5 Sec. 2024.001. COMPTROLLER RULES 75
6 Sec. 2024.002. INSPECTION OF BOOKS, RECORDS, AND
7 FINANCIAL STATEMENTS 75
8 Sec. 2024.003. RIGHT OF ENTRY 76

9 SUBCHAPTER B. COLLECTION AND DEPOSIT OF STATE'S SHARE OF
10 PARI-MUTUEL POOL

11 Sec. 2024.051. COLLECTION AND DEPOSIT OF STATE'S SHARE 77
12 Sec. 2024.052. SECURITY 77
13 Sec. 2024.053. CERTIFICATION OF NONCOMPLIANCE;
14 ADMINISTRATIVE APPEAL 78
15 Sec. 2024.054. PENALTIES FOR LATE PAYMENT OR REPORT 79
16 Sec. 2024.055. DEPOSIT OF STATE'S SHARE 80

17 SUBCHAPTER C. APPLICABILITY OF OTHER LAW

18 Sec. 2024.101. APPLICABILITY OF CERTAIN TAX CODE
19 PROVISIONS 80

20 CHAPTER 2024. POWERS AND DUTIES OF COMPTROLLER

21 SUBCHAPTER A. GENERAL POWERS AND DUTIES

22 Revised Law

23 Sec. 2024.001. COMPTROLLER RULES. The comptroller may
24 adopt rules for the enforcement of the comptroller's powers and
25 duties under this subtitle. (V.A.C.S. Art. 179e, Sec. 4.03.)

26 Source Law

27 Sec. 4.03. The comptroller may adopt rules for
28 the enforcement of the comptroller's powers and duties
29 under this Act.

30 Revised Law

31 Sec. 2024.002. INSPECTION OF BOOKS, RECORDS, AND FINANCIAL
32 STATEMENTS. (a) The comptroller may inspect all books, records,
33 and financial statements required by the commission under Section
34 2022.105.

35 (b) The comptroller by rule may specify the form and manner

1 in which the books, records, and financial statements are to be kept
2 and reports that relate to the state's share of a pari-mutuel pool
3 are to be filed. (V.A.C.S. Art. 179e, Sec. 4.01.)

4 Source Law

5 Sec. 4.01. All books, records, and financial
6 statements required by the commission under Section
7 3.04 of this Act are open to inspection by the
8 comptroller. The comptroller by rule may specify the
9 form and manner in which the books, records, and
10 statements are to be kept and reports are to be filed
11 that relate to the state's share of a pari-mutuel pool.

12 Revised Law

13 Sec. 2024.003. RIGHT OF ENTRY. The comptroller and the
14 agents authorized by the comptroller may enter at any time the
15 office, racetrack, or other place of business of a racetrack
16 association or totalisator license holder to:

17 (1) inspect books, records, or financial statements;

18 or

19 (2) inspect and test the totalisator system to
20 determine the accuracy of totalisator-generated reports and
21 calculations relating to the state's share of a pari-mutuel pool.
22 (V.A.C.S. Art. 179e, Sec. 4.02.)

23 Source Law

24 Sec. 4.02. The comptroller and the authorized
25 agents of the comptroller may enter the office,
26 racetrack, or other place of business of an
27 association or totalisator licensee at any time to
28 inspect books, records, or financial statements or to
29 inspect and test the totalisator system to determine
30 the accuracy of totalisator-generated reports and
31 calculations pertaining to the state share of the
32 pari-mutuel pool.

33 Revisor's Note

34 Section 4.02, V.A.C.S. Article 179e, refers to an
35 "association," meaning the term defined by Section
36 1.03(2), V.A.C.S. Article 179e, revised in this
37 subtitle as Section 2021.003(42). Throughout this
38 chapter, the revised law substitutes "racetrack
39 association" for "association" for the reasons stated
40 in Revisor's Note (20) to Section 2021.003.

1 SUBCHAPTER B. COLLECTION AND DEPOSIT OF STATE'S SHARE OF
2 PARI-MUTUEL POOL

3 Revised Law

4 Sec. 2024.051. COLLECTION AND DEPOSIT OF STATE'S SHARE.

5 (a) The comptroller by rule may prescribe procedures for the
6 collection and deposit of the state's share of each pari-mutuel
7 pool.

8 (b) A racetrack association shall deposit the state's share
9 of each pari-mutuel pool at the time and in the manner prescribed by
10 comptroller rule. (V.A.C.S. Art. 179e, Sec. 4.04(a).)

11 Source Law

12 Sec. 4.04. (a) The comptroller may prescribe
13 by rule procedures for the collection and deposit of
14 the state's portion of each pari-mutuel pool. The
15 state's portion of each pool shall be deposited by the
16 association at the time and in the manner that the
17 comptroller prescribes by rule.

18 Revised Law

19 Sec. 2024.052. SECURITY. (a) The comptroller by rule may
20 require each racetrack association to post security in an amount
21 estimated to be sufficient to cover the amount of state money that
22 the racetrack association will collect and hold between bank
23 deposits to ensure payment of the state's share of a pari-mutuel
24 pool.

25 (b) The following are acceptable as security for purposes of
26 this section:

27 (1) cash;

28 (2) a cashier's check;

29 (3) a surety bond;

30 (4) an irrevocable bank letter of credit;

31 (5) a United States Treasury bond that is readily
32 convertible to cash; or

33 (6) an irrevocable assignment of a federally insured
34 account in a bank, savings and loan institution, or credit union.
35 (V.A.C.S. Art. 179e, Sec. 4.04(b).)

1 Source Law

2 (b) The comptroller by rule may require each
3 association to post security in an amount estimated to
4 be sufficient to cover the amount of state money that
5 will be collected and held by an association between
6 bank deposits to ensure payment of the state's portion
7 of the pari-mutuel pool. Cash, cashier's checks,
8 surety bonds, irrevocable bank letters of credit,
9 United States Treasury bonds that are readily
10 convertible to cash, or irrevocable assignments of
11 federally insured accounts in banks, savings and loan
12 institutions, and credit unions are acceptable as
13 security for purposes of this section.

14 Revised Law

15 Sec. 2024.053. CERTIFICATION OF NONCOMPLIANCE;
16 ADMINISTRATIVE APPEAL. (a) The comptroller shall certify to the
17 commission the fact that a racetrack association or totalisator
18 company:

19 (1) does not comply with a rule adopted by the
20 comptroller under this chapter;

21 (2) refuses to allow access to or inspection of any of
22 the racetrack association's or totalisator company's required
23 books, records, or financial statements;

24 (3) refuses to allow access to or inspection of the
25 totalisator system; or

26 (4) becomes delinquent for:

27 (A) the state's share of a pari-mutuel pool; or

28 (B) any other tax collected by the comptroller.

29 (b) With regard to the state's share of a pari-mutuel pool
30 and any penalty related to the state's share, the comptroller,
31 acting independently of the commission, may take any collection or
32 enforcement action authorized under the Tax Code against a
33 delinquent taxpayer.

34 (c) An administrative appeal related to the state's share of
35 a pari-mutuel pool or late reporting or deposit of the state's share
36 is to the comptroller and then to the courts, as provided by Title
37 2, Tax Code. (V.A.C.S. Art. 179e, Secs. 4.05(a), (b) (part).)

38 Source Law

39 Sec. 4.05. (a) If an association or
40 totalisator company does not comply with a rule

1 adopted by the comptroller under this article, refuses
2 to allow access to or inspection of any of its required
3 books, records, or financial statements, refuses to
4 allow access to or inspection of the totalisator
5 system, or becomes delinquent for the state's portion
6 of the pari-mutuel pool or for any other tax collected
7 by the comptroller, the comptroller shall certify that
8 fact to the commission.

9 (b) With regard to the state's portion of the
10 pari-mutuel pool and any penalties related to the
11 state's portion, the comptroller, acting independently
12 of the commission, may take any collection or
13 enforcement actions authorized under the Tax Code
14 against a delinquent or dilatory taxpayer.
15 Administrative appeals related to the state's portion
16 of the pari-mutuel pool or late reporting or deposit of
17 the state's portion shall be to the comptroller and
18 then to the courts as under Title 2, Tax Code. . . .

19 Revisor's Note

20 Section 4.05(b), V.A.C.S. Article 179e, refers to
21 a "delinquent or dilatory" taxpayer. The revised law
22 omits "dilatory" because, in context, "dilatory" is
23 included within the meaning of "delinquent."

24 Revised Law

25 Sec. 2024.054. PENALTIES FOR LATE PAYMENT OR REPORT. (a) A
26 racetrack association is liable for a penalty if the racetrack
27 association does not pay the state's share of a pari-mutuel pool or
28 file a report related to the payment of that share on or before the
29 time the payment or report is due.

30 (b) The amount of the penalty under Subsection (a) is the
31 greater of:

- 32 (1) five percent of the total amount due; or
33 (2) \$1,000.

34 (c) An additional penalty in an amount equal to one percent
35 of the unpaid amount of the state's share of the pari-mutuel pool
36 shall be added for each business day that the required report or
37 payment is late, up to a maximum penalty of 12 percent.

38 (d) A penalty under this section may be waived in a
39 situation in which a penalty would be waived under Section 111.103,
40 Tax Code. (V.A.C.S. Art. 179e, Sec. 4.06.)

41 Source Law

42 Sec. 4.06. An association incurs a penalty for
43 the late payment of the state's portion of the
44 pari-mutuel pool or reports related to the payment of

1 that portion at the rate of five percent of the total
2 amount due or \$1,000, whichever is greater, for a
3 report or payment not filed on or before the time it is
4 due. An additional penalty equal to one percent of the
5 amount of the state's portion that is unpaid shall be
6 added for each business day that the required report or
7 payment is late up to a maximum penalty of 12 percent.
8 The penalty may be waived in situations in which
9 penalties would be waived under Section 111.103, Tax
10 Code.

11 Revised Law

12 Sec. 2024.055. DEPOSIT OF STATE'S SHARE. The comptroller
13 shall deposit the state's share of each pari-mutuel pool from horse
14 racing and greyhound racing in the general revenue fund. (V.A.C.S.
15 Art. 179e, Sec. 3.09(a).)

16 Source Law

17 Sec. 3.09. (a) The comptroller shall deposit
18 the state's share of each pari-mutuel pool from horse
19 racing and greyhound racing in the General Revenue
20 Fund.

21 SUBCHAPTER C. APPLICABILITY OF OTHER LAW

22 Revised Law

23 Sec. 2024.101. APPLICABILITY OF CERTAIN TAX CODE
24 PROVISIONS. (a) Unless inconsistent with this subtitle, Chapters
25 111 through 113, Tax Code, including provisions relating to the
26 assessment of penalties and interest, apply to the collection of
27 the state's share of a pari-mutuel pool under this subtitle.

28 (b) The state's share of a pari-mutuel pool under this
29 subtitle is treated as if it were a tax for purposes of this section
30 in applying the provisions of the Tax Code described by Subsection
31 (a).

32 (c) The comptroller may use any procedure authorized under
33 Title 2, Tax Code, for purposes of collecting the state's share of a
34 pari-mutuel pool under this subtitle. (V.A.C.S. Art. 179e, Sec.
35 6.10.)

36 Source Law

37 Sec. 6.10. Unless inconsistent with the
38 provisions of this Act, Chapters 111 through 113, Tax
39 Code, including without limitation provisions
40 relating to the assessment of penalty and interest,
41 apply to the collection of the state's share under this
42 Act. In applying those provisions of the Tax Code for
43 purposes of this section, the state's share under this
44 Act is treated as if it were a tax. For purposes of

1 collecting the state's share under this Act, the
2 comptroller may use any procedure authorized under
3 Title 2, Tax Code.

4 Revisor's Note

5 Section 6.10, V.A.C.S. Article 179e, provides
6 that certain Tax Code chapters apply to the collection
7 of the state's share of a pari-mutuel pool, "including
8 without limitation" provisions of those chapters
9 relating to the assessments of penalties and interest.
10 The revised law omits "without limitation" because
11 Section 311.005(13), Government Code (Code
12 Construction Act), applicable to the revised law,
13 provides that "includes" and "including" are terms of
14 enlargement and not limitation and do not create a
15 presumption that components not expressed are
16 excluded.

17 CHAPTER 2025. LICENSING

18 SUBCHAPTER A. GENERAL PROVISIONS

19 Sec. 2025.001. COMMISSION LICENSING DUTIES 83
20 Sec. 2025.002. LICENSE AS PRIVILEGE 84
21 Sec. 2025.003. FINGERPRINTS REQUIRED 84

22 SUBCHAPTER B. RACETRACK LICENSE APPLICATION REQUIREMENTS

23 Sec. 2025.051. RACETRACK LICENSE REQUIRED; CRIMINAL
24 PENALTY 86
25 Sec. 2025.052. APPLICATION 86
26 Sec. 2025.053. APPLICATION FEE 91
27 Sec. 2025.054. MANAGEMENT, CONCESSION, AND TOTALISATOR
28 CONTRACTS 92
29 Sec. 2025.055. CONFIDENTIALITY OF APPLICATION
30 DOCUMENTS 92
31 Sec. 2025.056. BACKGROUND CHECK 93
32 Sec. 2025.057. BOND 94
33 Sec. 2025.058. NOTIFICATION OF COMPLETED APPLICATION 95

1	SUBCHAPTER C. RACETRACK LICENSE ISSUANCE AND RENEWAL		
2	Sec. 2025.101.	LICENSE ELIGIBILITY REQUIREMENTS AND	
3		LIMITATIONS	95
4	Sec. 2025.102.	QUALIFICATIONS FOR ISSUANCE OF	
5		RACETRACK LICENSE	98
6	Sec. 2025.103.	ISSUANCE OF TEMPORARY LICENSE	99
7	Sec. 2025.104.	DESIGNATION OF RACETRACK LICENSE AS	
8		ACTIVE OR INACTIVE	101
9	Sec. 2025.105.	RENEWAL OF INACTIVE RACETRACK LICENSE;	
10		FEEES	102
11	Sec. 2025.106.	COMMISSION REVIEW OF ACTIVE RACETRACK	
12		LICENSE; FEE	103
13	Sec. 2025.107.	RACETRACK LICENSE NOT TRANSFERABLE;	
14		TEMPORARY LICENSE	104
15	Sec. 2025.108.	RACETRACK LICENSE ANNUAL FEE	105
16	SUBCHAPTER D. GREYHOUND RACETRACK LICENSES		
17	Sec. 2025.151.	LIMITATION ON NUMBER OF GREYHOUND	
18		RACETRACK LICENSES	105
19	Sec. 2025.152.	LOCATION RESTRICTION FOR GREYHOUND	
20		RACETRACK	105
21	SUBCHAPTER E. DISCIPLINARY ACTION FOR RACETRACK LICENSE HOLDERS		
22	Sec. 2025.201.	GROUND FOR DENIAL, REVOCATION, OR	
23		SUSPENSION OF RACETRACK LICENSE	106
24	Sec. 2025.202.	DISCIPLINARY ACTION; ADMINISTRATIVE	
25		PENALTY	110
26	Sec. 2025.203.	SUMMARY SUSPENSION	111
27	Sec. 2025.204.	SUMMARY SUSPENSION HEARING	112
28	Sec. 2025.205.	SUMMARY SUSPENSION FINAL ORDER	114
29	SUBCHAPTER F. OCCUPATIONAL LICENSES		
30	Sec. 2025.251.	OCCUPATIONAL LICENSE REQUIRED	114
31	Sec. 2025.252.	LICENSE CATEGORIES	115
32	Sec. 2025.253.	EXAMINATION NOTIFICATION	115
33	Sec. 2025.254.	ISSUANCE OF LICENSE	116
34	Sec. 2025.255.	ISSUANCE OF IDENTIFICATION CARD	116

1 Sec. 2025.256. LICENSE FEES 116
2 Sec. 2025.257. TERM OF LICENSE; RENEWAL 117
3 Sec. 2025.258. CRIMINAL HISTORY RECORD INFORMATION 118
4 Sec. 2025.259. LICENSE VALID THROUGHOUT STATE 118
5 Sec. 2025.260. TEMPORARY LICENSES 118
6 Sec. 2025.261. RECIPROCAL LICENSES; OUT-OF-STATE
7 APPLICANTS 119
8 Sec. 2025.262. GROUNDS FOR DENIAL, REVOCATION, AND
9 SUSPENSION OF OCCUPATIONAL LICENSE 120

10 CHAPTER 2025. LICENSING

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Revised Law

13 Sec. 2025.001. COMMISSION LICENSING DUTIES. (a) To
14 preserve and protect the public health, welfare, and safety, the
15 commission shall adopt rules relating to license applications and
16 the financial responsibility, moral character, and ability of
17 applicants.

18 (b) The commission shall prescribe application forms for
19 licenses issued under this subtitle and shall provide each
20 occupational license holder with a credential.

21 (c) The commission shall annually prescribe reasonable
22 license fees for each category of license issued under this
23 subtitle.

24 (d) The commission by rule shall set fees in amounts
25 reasonable and necessary to cover the commission's costs of
26 regulating, overseeing, and licensing live and simulcast racing at
27 racetracks. (V.A.C.S. Art. 179e, Secs. 5.01(a), (b), (d), 6.06(a)
28 (part).)

29 Source Law

30 Sec. 5.01. (a) The commission shall prescribe
31 forms for applications for licenses and shall provide
32 each occupational licensee with a license certificate
33 or credentials.

34 (b) The commission shall annually prescribe
35 reasonable license fees for each category of license
36 issued under this Act.

37 (d) The commission by rule shall set fees in

1 amounts reasonable and necessary to cover the
2 commission's costs of regulating, overseeing, and
3 licensing live and simulcast racing at racetracks.

4 Sec. 6.06. (a) To preserve and protect the
5 public health, welfare, and safety, the commission
6 shall adopt rules relating to license applications,
7 the financial responsibility, moral character, and
8 ability of applicants, and

9 Revisor's Note

10 Section 5.01, V.A.C.S. Article 179e, refers to a
11 "license certificate or credentials." The revised law
12 omits "license certificate" because the term is
13 included within the definition of "credential" found
14 in Section 1.03(65), V.A.C.S. Article 179e, revised in
15 this subtitle as Section 2021.003(11).

16 Revised Law

17 Sec. 2025.002. LICENSE AS PRIVILEGE. The operation of a
18 racetrack and the participation in racing are privileges, not
19 rights, granted only by the commission by license and subject to
20 reasonable and necessary conditions set by the commission.
21 (V.A.C.S. Art. 179e, Sec. 5.01(c).)

22 Source Law

23 (c) The operation of a racetrack and the
24 participation in racing are privileges, not rights,
25 granted only by the commission by license and subject
26 to reasonable and necessary conditions set by the
27 commission.

28 Revised Law

29 Sec. 2025.003. FINGERPRINTS REQUIRED. (a) An applicant
30 for a license or license renewal under this subtitle must, except as
31 otherwise provided by Section 2025.261, submit to the commission a
32 complete set of fingerprints for:

- 33 (1) the applicant; or
- 34 (2) if the applicant is not an individual, each
35 officer or director of, and each person who owns at least a five
36 percent interest in, the applicant.

37 (b) The Department of Public Safety may request any person
38 owning any interest in an applicant for a racetrack license to
39 submit a complete set of fingerprints.

1 (c) A peace officer of any state, or any district office of
2 the commission, shall take the fingerprints of an applicant for a
3 license or license renewal on forms approved and furnished by the
4 Department of Public Safety and immediately deliver the forms to
5 the commission.

6 (d) If a complete set of fingerprints is required by the
7 commission, the commission shall, not later than the 10th business
8 day after the date the commission receives the fingerprints,
9 forward the fingerprints to the Department of Public Safety or the
10 Federal Bureau of Investigation. If the fingerprints are forwarded
11 to the Department of Public Safety, the department shall:

12 (1) classify the fingerprints and check the
13 fingerprints against the department's fingerprint files; and

14 (2) report to the commission the department's findings
15 concerning the existence or lack of a criminal record of the
16 applicant.

17 (e) The commission may not issue a racetrack license until
18 the report under Subsection (d) is made to the commission. The
19 commission may issue a temporary occupational license before the
20 report is made to the commission. (V.A.C.S. Art. 179e, Sec. 5.03.)

21 Source Law

22 Sec. 5.03. (a) An applicant for any license or
23 license renewal under this Act must, except as allowed
24 under Section 7.10 of this Act, submit to the
25 commission a complete set of fingerprints of the
26 individual natural person applying for the license or
27 license renewal or, if the applicant is not an
28 individual natural person, a complete set of
29 fingerprints of each officer or director and of each
30 person owning an interest of at least five percent in
31 the applicant. The Department of Public Safety may
32 request any person owning any interest in an applicant
33 for a racetrack license to submit a complete set of
34 fingerprints.

35 (b) If a complete set of fingerprints is
36 required by the commission, the commission shall, not
37 later than the 10th business day after the date the
38 commission receives the prints, forward the prints to
39 the Department of Public Safety or the Federal Bureau
40 of Investigation. If the prints are forwarded to the
41 Department of Public Safety, the department shall
42 classify the prints and check them against its
43 fingerprint files and shall report to the commission
44 its findings concerning the criminal record of the
45 applicant or the lack of such a record. A racetrack
46 license may not be issued until the report is made to

1 the commission. A temporary occupational license may
2 be issued before a report is made to the commission.

3 (c) A peace officer of this or any other state,
4 or any district office of the commission, shall take
5 the fingerprints of an applicant for a license or
6 license renewal on forms approved and furnished by the
7 Department of Public Safety and shall immediately
8 deliver them to the commission.

9 Revisor's Note

10 Section 5.03, V.A.C.S. Article 179e, refers to an
11 "individual natural person." The revised law
12 substitutes "individual" for "individual natural
13 person" because the terms are synonymous and
14 "individual" is more commonly used.

15 SUBCHAPTER B. RACETRACK LICENSE APPLICATION REQUIREMENTS

16 Revised Law

17 Sec. 2025.051. RACETRACK LICENSE REQUIRED; CRIMINAL
18 PENALTY. A person may not conduct wagering on a horse or greyhound
19 race meeting without first obtaining a racetrack license issued by
20 the commission. A person who violates this section commits an
21 offense. (V.A.C.S. Art. 179e, Sec. 6.01.)

22 Source Law

23 Sec. 6.01. A person may not conduct wagering on
24 a greyhound race or a horse race meeting without first
25 obtaining a racetrack license from the commission. A
26 person who violates this section commits an offense.

27 Revised Law

28 Sec. 2025.052. APPLICATION. (a) The commission shall
29 require each applicant for an original racetrack license to submit
30 an application, on a form prescribed by the commission, containing
31 the following information:

32 (1) if the applicant is an individual:

33 (A) the individual's full name;

34 (B) the individual's date of birth;

35 (C) the individual's physical description;

36 (D) the individual's current address and
37 telephone number; and

38 (E) a statement by the individual disclosing any
39 arrest or conviction for a felony or for a misdemeanor, except a

1 misdemeanor under Subtitle C, Title 7, Transportation Code, or a
2 similar misdemeanor traffic offense;

3 (2) if the applicant is a corporation:

4 (A) the state of incorporation;

5 (B) the names and addresses of the corporation's
6 agents for service of process in this state;

7 (C) the name and address of each officer and
8 director of the corporation;

9 (D) the name and address of each stockholder of
10 the corporation;

11 (E) for each individual named under this
12 subdivision, the information required by Subdivision (1); and

13 (F) identification of:

14 (i) any other beneficial owner of a share in
15 the applicant that has absolute or contingent voting rights;

16 (ii) any other person who directly or
17 indirectly exercises any participation in the applicant; and

18 (iii) any other ownership interest in the
19 applicant that the applicant making its best effort is able to
20 identify;

21 (3) if the applicant is an unincorporated business
22 association:

23 (A) the name and address of each member of the
24 association and, for each individual named under this subdivision,
25 the information required by Subdivision (1); and

26 (B) identification of:

27 (i) any other person who exercises voting
28 rights in the applicant or directly or indirectly exercises any
29 participation in the applicant; and

30 (ii) any other ownership interest in the
31 applicant that the applicant making its best effort is able to
32 identify;

33 (4) the exact location at which a race meeting is to be
34 conducted;

1 (5) if the racetrack is in existence, whether it is
2 owned by the applicant and, if leased to the applicant:

3 (A) the name and address of the owner; and

4 (B) if the owner is a corporation or
5 unincorporated business association, the name and address of each
6 officer and director, any stockholder or member, and each agent for
7 service of process in this state;

8 (6) if construction of the racetrack has not been
9 initiated, whether it is to be owned by the applicant and, if it is
10 to be leased to the applicant:

11 (A) the name and address of the prospective
12 owner; and

13 (B) if the owner is a corporation or
14 unincorporated business association, the information required by
15 Subdivision (5)(B);

16 (7) identification of:

17 (A) any other beneficial owner of a share that
18 has absolute or contingent voting rights in the owner or
19 prospective owner of the racetrack;

20 (B) any other person that directly or indirectly
21 exercises any participation in the owner or prospective owner; and

22 (C) all other ownership interest in the owner or
23 prospective owner that the applicant making its best effort is able
24 to identify;

25 (8) a detailed statement of the applicant's assets and
26 liabilities;

27 (9) the type of racing to be conducted and the dates
28 requested;

29 (10) proof of residency as required by Section
30 2025.201; and

31 (11) any other information required by the commission.

32 (b) An application must be sworn to:

33 (1) by the applicant; or

34 (2) if the applicant is a corporation or association,

1 by its chief executive officer.

2 (c) If the applicant is a nonprofit corporation, only
3 directors and officers of the corporation must disclose the
4 information required under Subsection (a)(2). (V.A.C.S.
5 Art. 179e, Secs. 6.03(a) (part), (c), (f).)

6 Source Law

7 Sec. 6.03. (a) The commission shall require
8 each applicant for an original racetrack license . . .
9 to submit an application, on a form prescribed by the
10 commission, containing the following information:

11 (1) if the applicant is an individual, the
12 full name of the applicant, the applicant's date of
13 birth, a physical description of the applicant, the
14 applicant's current address and telephone number, and
15 a statement by the applicant disclosing any arrest or
16 conviction for a felony or for a misdemeanor, except a
17 misdemeanor under the Uniform Act Regulating Traffic
18 on Highways (Article 6701d, Vernon's Texas Civil
19 Statutes) or a similar misdemeanor traffic offense;

20 (2) if the applicant is a corporation:
21 (A) the state in which it is
22 incorporated, the names and addresses of the
23 corporation's agents for service of process in this
24 state, the names and addresses of its officers and
25 directors, the names and addresses of its
26 stockholders, and, for each individual named under
27 this subdivision, the individual's date of birth,
28 current address and telephone number, and physical
29 description, and a statement disclosing any arrest or
30 conviction for a felony or for a misdemeanor, except a
31 misdemeanor under the Uniform Act Regulating Traffic
32 on Highways (Article 6701d, Vernon's Texas Civil
33 Statutes) or a similar misdemeanor traffic offense;
34 and

35 (B) identification of any other
36 beneficial owner of shares in the applicant that bear
37 voting rights, absolute or contingent, any other
38 person that directly or indirectly exercises any
39 participation in the applicant, and any other
40 ownership interest in the applicant that the applicant
41 making its best effort is able to identify;

42 (3) if the applicant is an unincorporated
43 business association:

44 (A) the names and addresses of each
45 of its members and, for each individual named under
46 this subdivision, the individual's date of birth,
47 current address and telephone number, and physical
48 description, and a statement disclosing any arrest or
49 conviction for a felony or for a misdemeanor, except a
50 misdemeanor under the Uniform Act Regulating Traffic
51 on Highways (Article 6701d, Vernon's Texas Civil
52 Statutes) or a similar misdemeanor traffic offense;
53 and

54 (B) identification of any other
55 person that exercises voting rights in the applicant
56 or that directly or indirectly exercises any
57 participation in the applicant and any other ownership
58 interest in the applicant that the applicant making
59 its best effort is able to identify;

60 (4) the exact location at which a race
61 meeting is to be conducted;

1 (5) if the racing facility is in
2 existence, whether it is owned by the applicant and, if
3 leased to the applicant, the name and address of the
4 owner and, if the owner is a corporation or
5 unincorporated business association, the names and
6 addresses of its officers and directors, its
7 stockholders and members, if any, and its agents for
8 service of process in this state;

9 (6) if construction of the racing facility
10 has not been initiated, whether it is to be owned by
11 the applicant and, if it is to be leased to the
12 applicant, the name and address of the prospective
13 owner and, if the owner is a corporation or
14 unincorporated business association, the names and
15 addresses of its officers and directors, the names and
16 addresses of its stockholders, the names and addresses
17 of its members, if any, and the names and addresses of
18 its agents for service of process in this state;

19 (7) identification of any other beneficial
20 owner of shares that bear voting rights, absolute or
21 contingent, in the owner or prospective owner of the
22 racing facility, or any other person that directly or
23 indirectly exercises any participation in the owner or
24 prospective owner and all other ownership interest in
25 the owner or prospective owner that the applicant
26 making its best effort is able to identify;

27 (8) a detailed statement of the assets and
28 liabilities of the applicant;

29 (9) the kind of racing to be conducted and
30 the dates requested;

31 (10) proof of residency as required by
32 Section 6.06 of this Act;

33 (11) any other information required by the
34 commission.
35

36 (c) The application must be sworn to by the
37 applicant or, if a corporation or association, by its
38 chief executive officer.

39 (f) If the applicant is a nonprofit corporation,
40 only directors and officers of the corporation must
41 disclose the information required under Subdivision
42 (2) of Subsection (a) of this section.

43 Revisor's Note

44 (1) Section 6.03(a), V.A.C.S. Article 179e,
45 refers to the "Uniform Act Regulating Traffic on
46 Highways (Article 6701d, Vernon's Texas Civil
47 Statutes)." Article 6701d, Vernon's Texas Civil
48 Statutes, was codified in 1995 as Subtitle C, Title 7,
49 Transportation Code. The revised law is drafted
50 accordingly.

51 (2) Section 6.03(a), V.A.C.S. Article 179e,
52 refers to a "racing facility." Throughout this
53 chapter, the revised law substitutes "racetrack" for
54 "racing facility" for the reasons stated in Revisor's

1 Note (19) to Section 2021.003, Occupations Code.

2 Revised Law

3 Sec. 2025.053. APPLICATION FEE. (a) The commission shall
4 require each applicant for an original racetrack license to pay the
5 required application fee. The fee must accompany the application
6 and be paid in the form of a cashier's check or certified check.

7 (b) The commission shall set application fees in amounts
8 reasonable and necessary to cover the costs of administering this
9 subtitle. The commission by rule shall establish a schedule of
10 application fees for the various types and classifications of
11 racetracks using minimum application fees. The minimum application
12 fee:

13 (1) for a horse racetrack is:

14 (A) \$15,000 for a class 1 racetrack;

15 (B) \$7,500 for a class 2 racetrack;

16 (C) \$2,500 for a class 3 racetrack; and

17 (D) \$1,500 for a class 4 racetrack; and

18 (2) for a greyhound racetrack is \$20,000.

19 (c) Notwithstanding this section, if a licensed racetrack
20 petitions for a higher racetrack classification, the commission
21 shall impose fees equal to the difference between the fees
22 previously paid and the fees required for the higher
23 classification. (V.A.C.S. Art. 179e, Secs. 6.03(a) (part), (d),
24 (e), (i).)

25 Source Law

26 Sec. 6.03. (a) The commission shall require
27 each applicant for an original racetrack license to
28 pay the required application fee and

29 (d) The application for an original racetrack
30 license must be accompanied by an application fee in
31 the form of a cashier's check or certified check.

32 (e) The minimum application fee for a horse
33 racing track is \$15,000 for a class 1 racetrack, \$7,500
34 for a class 2 racetrack, \$2,500 for a class 3
35 racetrack, and \$1,500 for a class 4 racetrack. The
36 minimum application fee for a greyhound racing track
37 is \$20,000. Using the minimum fees, the commission by
38 rule shall establish a schedule of application fees
39 for the various types and sizes of racing facilities.
40 The commission shall set the application fees in
41 amounts that are reasonable and necessary to cover the

1 costs of administering this Act.

2 (i) Notwithstanding this section, if a licensed
3 track petitions for an upgrade in the classification
4 of the track, the fees and charges imposed shall be the
5 difference between the fees and charges previously
6 paid and the fees and charges for the upgraded facility
7 classification.

8 Revised Law

9 Sec. 2025.054. MANAGEMENT, CONCESSION, AND TOTALISATOR
10 CONTRACTS. (a) The commission shall require each applicant for an
11 original racetrack license to submit with the application for
12 inspection and review by the commission a copy of each management,
13 concession, and totalisator contract associated with the proposed
14 license at the proposed location in which the applicant has an
15 interest.

16 (b) An applicant or license holder shall advise the
17 commission of any change in any management, concession, or
18 totalisator contract.

19 (c) The criminal history record information, fingerprint,
20 and other information required of a license applicant under
21 Sections 2023.057, 2025.003, and 2025.052(a)(1)-(3) are required
22 of proposed totalisator firms, concessionaires, and managers and
23 management firms. (V.A.C.S. Art. 179e, Sec. 6.03(a) (part).)

24 Source Law

25 Sec. 6.03. (a) The commission shall require
26 each applicant for an original racetrack license . . .
27 to submit an application, . . . containing the
28 following information:

29 . . .
30 (11) a copy of each management,
31 concession, and totalisator contract dealing with the
32 proposed license at the proposed location in which the
33 applicant has an interest for inspection and review by
34 the commission; the applicant or licensee shall advise
35 the commission of any change in any management,
36 concession, or totalisator contract; . . . the same
37 fingerprint, criminal records history, and other
38 information required of license applicants pursuant to
39 Sections 5.03 and 5.04 and Subdivisions (1) through
40 (3) of this subsection shall be required of proposed
41 totalisator firms, concessionaires, and managers and
42 management firms; and
43

44 Revised Law

45 Sec. 2025.055. CONFIDENTIALITY OF APPLICATION DOCUMENTS.
46 Documents submitted to the commission under Sections

1 2025.051-2025.054 by an applicant are subject to discovery in a
2 suit brought under this subtitle but are not public records and are
3 not subject to Chapter 552, Government Code. (V.A.C.S. Art. 179e,
4 Sec. 6.03(b) (part).)

5 Source Law

6 (b) . . . Documents submitted to the commission
7 under this section by an applicant are subject to
8 discovery in a suit brought under this Act but are not
9 public records and are not subject to Chapter 424, Acts
10 of the 63rd Legislature, Regular Session, 1973
11 (Article 6252-17a, Vernon's Texas Civil Statutes).
12 . . .

13 Revisor's Note

14 Section 6.03(b), V.A.C.S. Article 179e, refers to
15 "Chapter 424, Acts of the 63rd Legislature, Regular
16 Session, 1973 (Article 6252-17a, Vernon's Texas Civil
17 Statutes)." That statute was codified in 1993 as
18 Chapter 552, Government Code. The revised law is
19 drafted accordingly.

20 Revised Law

21 Sec. 2025.056. BACKGROUND CHECK. (a) The commission shall
22 require a complete personal, financial, and business background
23 check of the applicant or of any person who owns an interest in or
24 exercises control over an applicant for a racetrack license,
25 including the partners, stockholders, concessionaires, management
26 personnel, management firms, and creditors.

27 (b) The commission shall refuse to issue or renew a license
28 if, in the commission's sole discretion, the background checks
29 reveal anything that may be detrimental to the public interest or
30 the racing industry.

31 (c) The commission may not hold a hearing on the
32 application, or any part of the application, of a racetrack license
33 applicant before the 14th day after the date the completed
34 background check of the applicant has been on file with the
35 commission. (V.A.C.S. Art. 179e, Sec. 6.031 (part).)

36 Source Law

37 Sec. 6.031. The commission shall require a

1 complete personal, financial, and business background
2 check of the applicant or any person owning an interest
3 in or exercising control over an applicant for a
4 racetrack license, the partners, stockholders,
5 concessionaires, management personnel, management
6 firms, and creditors and shall refuse to issue or renew
7 a license . . . if, in the sole discretion of the
8 commission, the background checks reveal anything
9 which might be detrimental to the public interest or
10 the racing industry. The commission may not hold a
11 hearing on the application, or any part of the
12 application, of an applicant for a racetrack license
13 before the completed background check of the applicant
14 has been on file with the commission for at least 14
15 days.

16 Revised Law

17 Sec. 2025.057. BOND. (a) The commission may, at any time,
18 require a holder of or applicant for a racetrack license to post
19 security in an amount reasonably necessary, as provided by
20 commission rule, to adequately ensure the license holder's or
21 applicant's compliance with substantive requirements of this
22 subtitle and commission rules.

23 (b) The following are acceptable as security for purposes of
24 this section:

- 25 (1) cash;
- 26 (2) a cashier's check;
- 27 (3) a surety bond;
- 28 (4) an irrevocable bank letter of credit;
- 29 (5) a United States Treasury bond that is readily
30 convertible to cash; or
- 31 (6) an irrevocable assignment of a federally insured
32 deposit in a bank, savings and loan institution, or credit union.

33 (c) The security described by Subsection (b) must be:

- 34 (1) conditioned on compliance with this subtitle and
35 commission rules adopted under this subtitle; and
- 36 (2) returned after satisfying the conditions of the
37 security. (V.A.C.S. Art. 179e, Sec. 6.032.)

38 Source Law

39 Sec. 6.032. (a) The commission at any time may
40 require a holder of a racetrack license or an applicant
41 for a racetrack license to post security in an amount
42 reasonably necessary, as provided by commission rule,
43 to adequately ensure the license holder's or
44 applicant's compliance with substantive requirements

1 of this Act and commission rules.

2 (b) Cash, cashier's checks, surety bonds,
3 irrevocable bank letters of credit, United States
4 Treasury bonds that are readily convertible to cash,
5 or irrevocable assignments of federally insured
6 deposits in banks, savings and loan institutions, and
7 credit unions are acceptable as security for purposes
8 of this section. The security must be:

9 (1) conditioned on compliance with this
10 Act and commission rules adopted under this Act; and

11 (2) returned after the conditions of the
12 security are met.

13 Revised Law

14 Sec. 2025.058. NOTIFICATION OF COMPLETED APPLICATION. When
15 all requirements for the applicant's licensure described in this
16 chapter have been satisfied, the commission shall notify the
17 applicant that the application is complete. (V.A.C.S. Art. 179e,
18 Sec. 6.04(a-1).)

19 Source Law

20 (a-1) When all of the requirements of licensure
21 for the applicant described in this article have been
22 satisfied, the commission shall notify the applicant
23 that the application is complete.

24 SUBCHAPTER C. RACETRACK LICENSE ISSUANCE AND RENEWAL

25 Revised Law

26 Sec. 2025.101. LICENSE ELIGIBILITY REQUIREMENTS AND
27 LIMITATIONS. (a) The burden of proof is on the applicant for an
28 original racetrack license to show compliance with this subtitle
29 and commission rules. An applicant who does not show the necessary
30 compliance is not eligible for a license under this chapter.

31 (b) In considering an application for a horse racetrack
32 license under this chapter, the commission shall give additional
33 weight to evidence concerning an applicant who has experience
34 operating a horse racetrack licensed under this subtitle.

35 (c) The commission may not issue a license to operate a
36 class 1 or class 2 racetrack or a greyhound racetrack to a
37 corporation unless:

38 (1) the corporation is incorporated under the laws of
39 this state; and

40 (2) a majority of any of its corporate stock is owned
41 at all times by individuals who meet the residency qualifications

1 prescribed by Section 2025.201 for individual applicants.

2 (d) The majority ownership of a partnership, firm, or
3 association applying for or holding a license must be held by
4 citizens who meet the residency qualifications enumerated in
5 Section 2025.201 for individual applicants. A corporation that
6 holds a license to operate a racetrack under this subtitle and that
7 violates this subsection is subject to forfeiture of its charter.
8 The attorney general, on receipt of information relating to the
9 violation, shall file suit in a district court of Travis County for
10 cancellation of the charter and revocation of the license issued
11 under this subtitle.

12 (e) Subsections (c) and (d) and Section 2025.201(a)(12) do
13 not apply to an applicant for or the holder of a racetrack license
14 if the applicant, the license holder, or the license holder's
15 parent company is a publicly traded company.

16 (f) The commission may condition the issuance of a license
17 under this chapter on the observance of commission rules. The
18 commission may amend the rules at any time and may condition the
19 continued holding of the license on compliance with the rules as
20 amended.

21 (g) A person may not own more than a five percent interest in
22 more than three racetracks licensed under this subtitle.

23 (h) Notwithstanding any other law, a person who owns an
24 interest in two or more racetracks licensed under this subtitle and
25 who also owns an interest in a license issued under Subtitle B,
26 Title 3, Alcoholic Beverage Code, may own an interest in the
27 premises of another holder of a license or permit under Title 3,
28 Alcoholic Beverage Code, if the premises of that other license or
29 permit holder are part of the premises of a racetrack licensed under
30 this subtitle. (V.A.C.S. Art. 179e, Secs. 6.03(g), (h), 6.06(c),
31 (d) (part), (e), (h), (i), (j).)

32 Source Law

33 [Sec. 6.03]

34 (g) The burden of proof is on the applicant to
35 show compliance with this Act and with the rules of the

1 commission. An applicant who does not show the
2 necessary compliance is not eligible for a license
3 under this article.

4 (h) In considering an application for a horse
5 racetrack license under this section, the commission
6 shall give additional weight to evidence concerning an
7 applicant who has experience operating a horse
8 racetrack licensed under this Act.

9 [Sec. 6.06]

10 (c) A license for operation of a class 1 or class
11 2 racetrack or a greyhound racetrack may not be issued
12 to a corporation unless the corporation is
13 incorporated under the laws of this state and a
14 majority of the stock, if any, of the corporation is
15 owned at all times by individuals who meet the
16 residency qualifications prescribed by this section
17 for individual applicants.

18 (d) The majority ownership of a partnership,
19 firm, or association applying for or holding a license
20 must be held by citizens who meet the residency
21 qualifications enumerated in this section for
22 individual applicants. A corporation holding a
23 license to operate a racetrack under this Act that
24 violates this subsection is subject to forfeiture of
25 its charter, and the attorney general, on receipt of
26 information relating to such a violation, shall file
27 suit in a district court of Travis County for
28 cancellation of the charter and revocation of the
29 license issued under this Act. . . .

30 (e) The commission may condition the issuance of
31 a license under this article on the observance of its
32 rules. The commission may amend the rules at any time
33 and may condition the continued holding of the license
34 on compliance with the rules as amended.

35 (h) A person may not own more than a five percent
36 interest in more than three racetracks licensed under
37 this Act.

38 (i) Subsections (a)(12), (c), and (d) of this
39 section do not apply to an applicant for or the holder
40 of a racetrack license if the applicant, the license
41 holder, or the license holder's parent company is a
42 publicly traded company.

43 (j) Notwithstanding any other law, a person who
44 owns an interest in two or more racetracks licensed
45 under this Act and who also owns an interest in a
46 license issued under Subtitle B, Title 3, Alcoholic
47 Beverage Code, may own an interest in the premises of
48 another holder of a license or permit under Title 3,
49 Alcoholic Beverage Code, if the premises of that other
50 license or permit holder are part of the premises of a
51 racetrack licensed under this Act.

52 Revisor's Note

53 Section 6.06(d), V.A.C.S. Article 179e, refers to
54 "residency qualifications enumerated in this section
55" The residency requirements are enumerated in
56 Section 6.06(a), V.A.C.S. Article 179e, and are
57 revised in this chapter as Section 2025.201. For the
58 convenience of the reader, the revised law substitutes

1 a reference to "Section 2025.201" for the reference to
2 "this section."

3 Revised Law

4 Sec. 2025.102. QUALIFICATIONS FOR ISSUANCE OF RACETRACK
5 LICENSE. (a) The commission may issue a racetrack license to a
6 qualified person if the commission:

7 (1) determines that the conduct of race meetings at
8 the proposed racetrack and location:

9 (A) will be in the public interest;

10 (B) complies with all zoning laws; and

11 (C) complies with this subtitle and commission
12 rules; and

13 (2) determines by clear and convincing evidence that
14 the applicant will comply with all criminal laws of this state.

15 (b) In determining whether to grant or deny an application
16 for any class of racetrack license, the commission may consider:

17 (1) the applicant's financial stability;

18 (2) the applicant's resources for supplementing the
19 purses for races for various breeds;

20 (3) the location of the proposed racetrack;

21 (4) the effect of the proposed racetrack on traffic
22 flow;

23 (5) facilities for patrons and occupational license
24 holders;

25 (6) facilities for race animals;

26 (7) availability to the racetrack of support services
27 and emergency services;

28 (8) the experience of the applicant's employees;

29 (9) the potential for conflict with other licensed
30 race meetings;

31 (10) the anticipated effect of the race meeting on the
32 horse or greyhound breeding industry in this state; and

33 (11) the anticipated effect of the race meeting on the
34 state and local economy from tourism, increased employment, and

1 other sources.

2 (c) The commission shall make a determination on a pending
3 application not later than the 120th day after the date the
4 commission provides the notice required under Section 2025.058.
5 (V.A.C.S. Art. 179e, Secs. 6.04(a), (a-2).)

6 Source Law

7 Sec. 6.04. (a) The commission may issue a
8 racetrack license to a qualified person if it finds
9 that the conduct of race meetings at the proposed track
10 and location will be in the public interest, complies
11 with all zoning laws, and complies with this Act and
12 the rules adopted by the commission and if the
13 commission finds by clear and convincing evidence that
14 the applicant will comply with all criminal laws of
15 this state. In determining whether to grant or deny an
16 application for any class of racetrack license, the
17 commission may consider the following factors:

- 18 (1) the applicant's financial stability;
19 (2) the applicant's resources for
20 supplementing the purses for races for various breeds;
21 (3) the location of the proposed track;
22 (4) the effect of the proposed track on
23 traffic flow;
24 (5) facilities for patrons and
25 occupational licensees;
26 (6) facilities for race animals;
27 (7) availability to the track of support
28 services and emergency services;
29 (8) the experience of the applicant's
30 employees;
31 (9) the potential for conflict with other
32 licensed race meetings;
33 (10) the anticipated effect of the race
34 meeting on the greyhound or horse breeding industry in
35 this state; and
36 (11) the anticipated effect of the race
37 meeting on the state and local economy from tourism,
38 increased employment, and other sources.

39 (a-2) The commission shall make a determination
40 with respect to a pending application not later than
41 the 120th day after the date on which the commission
42 provided to the applicant the notice required under
43 Subsection (a-1) of this section.

44 Revised Law

45 Sec. 2025.103. ISSUANCE OF TEMPORARY LICENSE. (a) After a
46 racetrack association has been granted a license to operate a
47 racetrack and before the completion of construction at the
48 designated place for which the license was issued, the commission
49 may, on application by the racetrack association, issue a temporary
50 license that authorizes the racetrack association to conduct races
51 at a location in the same county until the earlier of:

1 (1) the second anniversary of the date of issuance of
2 the temporary license; or

3 (2) the completion of the permanent facility.

4 (b) An applicant for a temporary license must pay the
5 application fees and post the bonds required of other license
6 holders before the issuance of a temporary license.

7 (c) The commission may set conditions and standards for
8 issuance of a temporary license and allocation of appropriate race
9 days.

10 (d) The commission may not issue a new temporary license or
11 an extension of a temporary license to a person or to an individual
12 belonging to a corporation or association that has been granted a
13 temporary license after the temporary license has expired.
14 (V.A.C.S. Art. 179e, Sec. 6.15.)

15 Source Law

16 Sec. 6.15. After an association has been
17 granted a license to operate a racetrack and before the
18 completion of construction at the designated place for
19 which the license was issued, the commission may, on
20 application by the association, issue a temporary
21 license that permits the association to conduct races
22 at a location in the same county for a period expiring
23 two years after the date of issuance of the temporary
24 license or on the completion of the permanent
25 facility, whichever occurs first. The commission may
26 set the conditions and standards for issuance of a
27 temporary license and allocation of appropriate race
28 days. An applicant for a temporary license must pay
29 the application fees and must post the bonds required
30 of other licensees before the issuance of a temporary
31 license. After a temporary license has expired, no
32 individual, corporation, or association, nor any
33 individual belonging to a corporation or association
34 which has been granted a temporary license, may get an
35 extension of the temporary license or a new temporary
36 license.

37 Revisor's Note

38 (1) Section 6.15, V.A.C.S. Article 179e, refers
39 to an "association," meaning the term defined by
40 Section 1.03(2), V.A.C.S. Article 179e, revised in
41 this subtitle as Section 2021.003(42). The revised
42 law substitutes "racetrack association" as the defined
43 term for the reasons stated in Revisor's Note (20) to
44 Section 2021.003.

1 (d) Before the first anniversary of the date a
2 new racetrack license is issued, the commission shall
3 conduct an evaluation of the license to determine
4 whether the license is an active or inactive license.

5 (e) An active license is effective until the
6 license is designated as an inactive license or is
7 surrendered, suspended, or revoked under this Act.

8 Revised Law

9 Sec. 2025.105. RENEWAL OF INACTIVE RACETRACK LICENSE; FEES.

10 (a) The commission by rule shall establish an annual renewal
11 process for inactive licenses and may require the license holder to
12 provide any information required for an original license
13 application under this subtitle. An inactive license holder must
14 complete the annual renewal process established under this section
15 until the commission:

16 (1) designates the license as an active license; or

17 (2) refuses to renew the license.

18 (b) In determining whether to renew an inactive license, the
19 commission shall consider:

20 (1) the inactive license holder's:

21 (A) financial stability;

22 (B) ability to conduct live racing;

23 (C) ability to construct and maintain a
24 racetrack; and

25 (D) other good faith efforts to conduct live
26 racing; and

27 (2) other necessary factors considered in the issuance
28 of the original license.

29 (c) The commission may refuse to renew an inactive license
30 if, after notice and a hearing, the commission determines that:

31 (1) renewal of the license is not in the best interests
32 of the racing industry or the public; or

33 (2) the license holder has failed to make a good faith
34 effort to conduct live racing.

35 (d) The commission shall consult with members of the racing
36 industry and other key stakeholders in developing the license
37 renewal process under this section.

1 (e) The commission shall set and collect renewal fees in
2 amounts reasonable and necessary to cover the costs of
3 administering and enforcing this section.

4 (f) The commission by rule shall establish criteria to make
5 the determinations under Subsection (c). (V.A.C.S. Art. 179e, Sec.
6 6.0602.)

7 Source Law

8 Sec. 6.0602. (a) The commission by rule shall
9 establish an annual renewal process for inactive
10 licenses and may require the license holder to provide
11 any information required for an original license
12 application under this Act. An inactive license
13 holder must complete the annual renewal process
14 established under this section until the commission:

15 (1) designates the license as an active
16 license; or

17 (2) refuses to renew the license.

18 (b) In determining whether to renew an inactive
19 license, the commission shall consider:

20 (1) the inactive license holder's:

21 (A) financial stability;

22 (B) ability to conduct live racing;

23 (C) ability to construct and maintain
24 a racetrack facility; and

25 (D) other good faith efforts to
26 conduct live racing; and

27 (2) other necessary factors considered in
28 the issuance of the original license.

29 (c) The commission may refuse to renew an
30 inactive license if, after notice and a hearing, the
31 commission determines that:

32 (1) renewal of the license is not in the
33 best interests of the racing industry or the public; or

34 (2) the license holder has failed to make a
35 good faith effort to conduct live racing.

36 (d) The commission shall consult with members of
37 the racing industry and other key stakeholders in
38 developing the license renewal process under this
39 section.

40 (e) The commission shall set and collect renewal
41 fees in amounts reasonable and necessary to cover the
42 costs of administering and enforcing this section.

43 (f) The commission by rule shall establish
44 criteria to make the determinations under Subsections
45 (c)(1) and (2).

46 Revised Law

47 Sec. 2025.106. COMMISSION REVIEW OF ACTIVE RACETRACK
48 LICENSE; FEE. (a) The commission shall review the ownership and
49 management of an active license issued under this chapter every
50 five years beginning on the fifth anniversary of the date of
51 issuance of the license.

52 (b) In performing the review, the commission may require the

1 license holder to provide any information that would be required to
2 be provided in connection with an original license application
3 under this chapter.

4 (c) The commission shall charge fees for the review in
5 amounts sufficient to implement this section. (V.A.C.S. Art. 179e,
6 Sec. 6.06(k).)

7 Source Law

8 (k) The commission shall review the ownership
9 and management of an active license issued under this
10 article every five years beginning on the fifth
11 anniversary of the issuance of the license. In
12 performing the review, the commission may require the
13 license holder to provide any information that would
14 be required to be provided in connection with an
15 original license application under Article 5 of this
16 Act or this article. The commission shall charge fees
17 for the review in amounts sufficient to implement this
18 subsection.

19 Revisor's Note

20 Section 6.06(k), V.A.C.S. Article 179e, refers to
21 information required to be provided "in connection
22 with an original license application under Article 5
23 of this Act or this article." The parts of Articles 5
24 and 6, V.A.C.S. Article 179e, that apply to license
25 application information are revised in this chapter.
26 The revised law substitutes "this chapter" for
27 "Article 5 of this Act or this article" accordingly.

28 Revised Law

29 Sec. 2025.107. RACETRACK LICENSE NOT TRANSFERABLE;
30 TEMPORARY LICENSE. (a) A racetrack license is not transferable.

31 (b) If the death of any person causes a violation of the
32 licensing provisions of this subtitle, the commission may issue, in
33 accordance with commission rules, a temporary license for a period
34 not to exceed one year. (V.A.C.S. Art. 179e, Sec. 6.12.)

35 Source Law

36 Sec. 6.12. (a) A racetrack license is not
37 transferable.

38 (b) In the event of the death of any person whose
39 death causes a violation of the licensing provisions
40 of this Act, the commission may issue a temporary
41 license for a period not to exceed one year under rules
42 adopted by the commission.

1 Revised Law

2 Sec. 2025.108. RACETRACK LICENSE ANNUAL FEE. The
3 commission may prescribe a reasonable annual fee to be paid by each
4 racetrack license holder. The fee must be in an amount sufficient
5 to provide that the total amount of fees imposed under this section,
6 the license fees prescribed under Section 2025.001(c), and the
7 renewal fees prescribed under Section 2025.105(e) are sufficient to
8 cover the costs of administering and enforcing this subtitle.
9 (V.A.C.S. Art. 179e, Sec. 6.18.)

10 Source Law

11 Sec. 6.18. (b) The commission may prescribe a
12 reasonable annual fee to be paid by each racetrack
13 licensee. The fee must be in an amount sufficient to
14 provide that the total amount of fees imposed under
15 this section, together with the license fees
16 prescribed under Section 5.01(b) of this Act and the
17 renewal fees prescribed under Section 6.0602(e) of
18 this Act, is sufficient to pay the costs of
19 administering and enforcing this Act.

20 SUBCHAPTER D. GREYHOUND RACETRACK LICENSES

21 Revised Law

22 Sec. 2025.151. LIMITATION ON NUMBER OF GREYHOUND RACETRACK
23 LICENSES. The commission may not issue licenses for more than three
24 greyhound racetracks in this state. (V.A.C.S. Art 179e, Secs.
25 6.04(c) (part), 6.14(b).)

26 Source Law

27 [Sec. 6.04]

28 (c) The commission shall not issue licenses for
29 more than three greyhound racetracks in this
30 state. . . .

31 [Sec. 6.14]

32 (b) The commission shall not issue more than
33 three racetrack licenses for greyhound racing.

34 Revised Law

35 Sec. 2025.152. LOCATION RESTRICTION FOR GREYHOUND
36 RACETRACK. Each greyhound racetrack must be located in a county
37 that:

- 38 (1) has a population of more than 190,000;
39 (2) borders the Gulf of Mexico; and
40 (3) includes all or part of an island that borders the

1 Gulf of Mexico. (V.A.C.S. Art. 179e, Secs. 6.04(c) (part),
2 6.14(c).)

3 Source Law

4 [Sec. 6.04]

5 (c) [The commission shall not issue licenses for
6 more than three greyhound racetracks in this state.]
7 Those racetracks must be located in counties that
8 border the Gulf of Mexico.

9 [Sec. 6.14]

10 (c) Each greyhound racetrack licensed under
11 this Act must be located in a county that has a
12 population of more than 190,000, according to the most
13 recent federal census, and that includes all or part of
14 an island that borders the Gulf of Mexico.

15 Revisor's Note

16 Section 6.14(c), V.A.C.S. Article 179e, refers to
17 the population "according to the most recent federal
18 census." The revised law omits the reference to the
19 federal census because Section 311.005(3), Government
20 Code (Code Construction Act), applicable to the
21 revised law, defines "population" to mean the
22 population shown by the most recent federal decennial
23 census.

24 SUBCHAPTER E. DISCIPLINARY ACTION FOR RACETRACK LICENSE HOLDERS

25 Revised Law

26 Sec. 2025.201. GROUNDS FOR DENIAL, REVOCATION, OR
27 SUSPENSION OF RACETRACK LICENSE. (a) The commission may refuse to
28 issue a racetrack license or may revoke or suspend a license if,
29 after notice and hearing, the commission finds that the applicant
30 or license holder, as appropriate:

31 (1) has been convicted of a violation of this subtitle
32 or a commission rule, or has aided, abetted, or conspired to commit
33 a violation of this subtitle or a commission rule;

34 (2) has been convicted of a felony or a crime involving
35 moral turpitude, including a conviction for which the punishment
36 received was a suspended sentence, probation, or a nonadjudicated
37 conviction, that is reasonably related to the person's present
38 fitness to hold a license under this subtitle;

1 (3) has violated or has caused to be violated this
2 subtitle or a commission rule in a manner that involves moral
3 turpitude, as distinguished from a technical violation of this
4 subtitle or a rule;

5 (4) is unqualified, by experience or otherwise, to
6 perform the duties required of a license holder under this
7 subtitle;

8 (5) failed to answer or falsely or incorrectly
9 answered a question in an application;

10 (6) fails to disclose the true ownership or interest
11 in a horse or greyhound as required by commission rules;

12 (7) is indebted to this state for any fee or for the
13 payment of a penalty imposed by this subtitle or a commission rule;

14 (8) is not of good moral character or the person's
15 reputation as a peaceable, law-abiding citizen in the community
16 where the person resides is bad;

17 (9) is not at least the minimum age necessary to
18 purchase alcoholic beverages in this state;

19 (10) is in the habit of using alcoholic beverages to an
20 excess or uses a controlled substance as defined by Chapter 481,
21 Health and Safety Code, or a dangerous drug as defined in Chapter
22 483, Health and Safety Code, or is mentally incapacitated;

23 (11) may be excluded from an enclosure under this
24 subtitle;

25 (12) has not been a United States citizen residing in
26 this state for the 10 consecutive years preceding the filing of the
27 application;

28 (13) has improperly used a credential, including a
29 license certificate or identification card, issued under this
30 subtitle;

31 (14) resides with a person whose license was revoked
32 for cause during the 12 months preceding the date of the present
33 application;

34 (15) has failed or refused to furnish a true copy of

1 the application to the commission's district office in the district
2 in which the premises for which the license is sought are located;

3 (16) is engaged or has engaged in activities or
4 practices the commission determines are detrimental to the best
5 interests of the public and the sport of horse racing or greyhound
6 racing; or

7 (17) fails to fully disclose the true owners of all
8 interests, beneficial or otherwise, in a proposed racetrack.

9 (b) Subsection (a) applies to a corporation, partnership,
10 limited partnership, or any other organization or group whose
11 application is composed of more than one person if a shareholder,
12 partner, limited partner, director, or officer is disqualified
13 under Subsection (a).

14 (c) The commission may refuse to issue a license or may
15 suspend or revoke a license of a license holder under this
16 subchapter who knowingly or intentionally allows access to an
17 enclosure where horse races or greyhound races are conducted to a
18 person:

19 (1) who has engaged in bookmaking, touting, or illegal
20 wagering;

21 (2) whose income is from illegal activities or
22 enterprises; or

23 (3) who has been convicted of a violation of this
24 subtitle. (V.A.C.S. Art. 179e, Secs. 6.06(a) (part), (b), (f).)

25 Source Law

26 (a) . . . The commission may refuse to issue a
27 racetrack license or may revoke or suspend a license
28 if, after notice and hearing, it has reasonable
29 grounds to believe and finds that:

30 (1) the applicant has been convicted in a
31 court of competent jurisdiction of a violation of this
32 Act or any rule adopted by the commission or that the
33 applicant has aided, abetted, or conspired with any
34 person to commit such a violation;

35 (2) the applicant has been convicted of a
36 felony or of any crime involving moral turpitude,
37 including convictions for which the punishment
38 received was a suspended sentence, probation, or a
39 nonadjudicated conviction, that is reasonably related
40 to the applicant's present fitness to hold a license
41 under this Act;

42 (3) the applicant has violated or has

1 caused to be violated this Act or a rule of the
2 commission in a manner that involves moral turpitude,
3 as distinguished from a technical violation of this
4 Act or of a rule;

5 (4) the applicant is unqualified, by
6 experience or otherwise, to perform the duties
7 required of a licensee under this Act;

8 (5) the applicant failed to answer or
9 falsely or incorrectly answered a question in an
10 application;

11 (6) the applicant fails to disclose the
12 true ownership or interest in a greyhound or horse as
13 required by the rules of the commission;

14 (7) the applicant is indebted to the state
15 for any fees or for the payment of a penalty imposed by
16 this Act or by a rule of the commission;

17 (8) the applicant is not of good moral
18 character or the applicant's reputation as a
19 peaceable, law-abiding citizen in the community where
20 the applicant resides is bad;

21 (9) the applicant has not yet attained the
22 minimum age necessary to purchase alcoholic beverages
23 in this state;

24 (10) the applicant is in the habit of using
25 alcoholic beverages to an excess or uses a controlled
26 substance as defined in Chapter 481, Health and Safety
27 Code, or a dangerous drug as defined in Chapter 483,
28 Health and Safety Code, or is mentally incapacitated;

29 (11) the applicant may be excluded from a
30 track enclosure under this Act;

31 (12) the applicant has not been a United
32 States citizen residing in this state for the period of
33 10 consecutive years immediately preceding the filing
34 of the application;

35 (13) the applicant has improperly used a
36 license certificate, credential, or identification
37 card issued under this Act;

38 (14) the applicant is residentially
39 domiciled with a person whose license has been revoked
40 for cause within the 12 months immediately preceding
41 the date of the present application;

42 (15) the applicant has failed or refused
43 to furnish a true copy of the application to the
44 commission's district office in the district in which
45 the premises for which the permit is sought are
46 located;

47 (16) the applicant is engaged or has
48 engaged in activities or practices that the commission
49 finds are detrimental to the best interests of the
50 public and the sport of greyhound racing or horse
51 racing; or

52 (17) the applicant fails to fully disclose
53 the true owners of all interests, beneficial or
54 otherwise, in a proposed racetrack facility.

55 (b) Subsection (a) of this section applies to a
56 corporation, partnership, limited partnership, or any
57 other organization or group whose application is
58 comprised of more than one person if a shareholder,
59 partner, limited partner, director, or officer is
60 disqualified under Subsection (a) of this section.

61 (f) The commission may refuse to issue a license
62 or may suspend or revoke a license of a licensee under
63 this article who knowingly or intentionally allows
64 access to an enclosure where greyhound races or horse
65 races are conducted to a person who has engaged in
66 bookmaking, touting, or illegal wagering, whose income
67 is from illegal activities or enterprises, or who has

1 rule.

2 (c) The commission may not revoke an active license unless
3 the commission reasonably determines that other disciplinary
4 actions are inadequate to remedy the violation. (V.A.C.S. Art.
5 179e, Sec. 6.0603; New.)

6 Source Law

7 Sec. 6.0603. (a) The commission by rule shall
8 establish procedures for disciplinary action against a
9 racetrack license holder.

10 (b) If, after notice and hearing, the commission
11 finds that a racetrack license holder or a person
12 employed by the racetrack has violated this Act or a
13 commission rule or if the commission finds during a
14 review or renewal that the racetrack is ineligible for
15 a license under this article, the commission may:

16 (1) revoke, suspend, or refuse to renew
17 the racetrack license;

18 (2) impose an administrative penalty as
19 provided under Section 15.03 of this Act; or

20 (3) take any other action as provided by
21 commission rule.

22 (c) The commission may not revoke an active
23 license unless the commission reasonably determines
24 that other disciplinary actions are inadequate to
25 remedy the violation.

26 Revisor's Note

27 Section 6.0603, V.A.C.S. Article 179e,
28 establishes disciplinary procedures that apply to
29 holders of racetrack licenses. Sections 3.14 and 3.15,
30 V.A.C.S. Article 179e, revised in this subtitle as
31 Sections 2033.151 and 2033.152, establish
32 disciplinary procedures for all licenses issued by the
33 Texas Racing Commission. The revised law includes
34 references to Sections 2033.151 and 2033.152 to
35 clarify the applicability of those provisions.

36 Revised Law

37 Sec. 2025.203. SUMMARY SUSPENSION. (a) The commission may
38 summarily suspend a racetrack license if the commission determines
39 that a racetrack at which races or pari-mutuel wagering are
40 conducted under the license is being operated in a manner that
41 constitutes an immediate threat to the health, safety, or welfare
42 of the racing participants or the patrons.

43 (b) After issuing a summary suspension order, the executive

1 director shall serve on the racetrack association an order:

2 (1) stating the specific charges; and

3 (2) requiring the license holder immediately to cease
4 and desist from all conduct permitted by the license.

5 (c) The executive director shall serve the order by personal
6 delivery or registered or certified mail, return receipt requested,
7 to the license holder's last known address. The order must contain
8 a notice that a request for hearing may be filed under this
9 subchapter.

10 (d) A summary suspension order continues in effect unless
11 the order is stayed by the executive director. The executive
12 director may impose any condition before granting a stay of the
13 order. (V.A.C.S. Art. 179e, Secs. 6.063(a), (b), (e).)

14 Source Law

15 Sec. 6.063. (a) The commission may summarily
16 suspend a racetrack license if the commission
17 determines that a racetrack at which races or
18 pari-mutuel wagering are conducted under the license
19 is being operated in a manner that constitutes an
20 immediate threat to the health, safety, or welfare of
21 the participants in racing or the patrons.

22 (b) After issuing a summary suspension order,
23 the executive secretary shall serve on the association
24 by personal delivery or registered or certified mail,
25 return receipt requested, to the licensee's last known
26 address, an order stating the specific charges and
27 requiring the licensee immediately to cease and desist
28 from all conduct permitted by the license. The order
29 must contain a notice that a request for hearing may be
30 filed under this section.

31 (e) A summary suspension order continues in
32 effect unless the order is stayed by the executive
33 secretary. The executive secretary may impose any
34 condition before granting a stay of the order.

35 Revised Law

36 Sec. 2025.204. SUMMARY SUSPENSION HEARING. (a) A
37 racetrack association that is the subject of a summary suspension
38 order may request a hearing. The request must be filed with the
39 executive director not later than the 10th day after the date the
40 order was received or delivered. The request must:

41 (1) be in writing;

42 (2) be directed to the executive director; and

43 (3) state the grounds for the request to set aside or

1 modify the order.

2 (b) Unless a license holder who is the subject of the order
3 requests a hearing in writing before the 11th day after the date the
4 order is received or delivered, the order is final and
5 nonappealable as to that license holder.

6 (c) On receiving a request for a hearing, the executive
7 director shall serve notice of the time and place of the hearing by
8 personal delivery or registered or certified mail, return receipt
9 requested. The hearing must be held not later than the 10th day
10 after the date the executive director receives the request for a
11 hearing unless the parties agree to a later hearing date.

12 (d) At the hearing, the commission has the burden of proof
13 and must present evidence in support of the order. The license
14 holder requesting the hearing may cross-examine witnesses and show
15 cause why the order should not be affirmed.

16 (e) Section 2003.021(b), Government Code, does not apply to
17 a hearing conducted under this section. (V.A.C.S. Art. 179e, Secs.
18 6.063(c), (d).)

19 Source Law

20 (c) An association that is the subject of a
21 summary suspension order may request a hearing. The
22 request must be filed with the executive secretary not
23 later than the 10th day after the date the order was
24 received or delivered. A request for a hearing must be
25 in writing and directed to the executive secretary and
26 must state the grounds for the request to set aside or
27 modify the order. Unless a licensee who is the subject
28 of the order requests a hearing in writing before the
29 11th day after the date the order is received or
30 delivered, the order is final and nonappealable as to
31 that licensee.

32 (d) On receiving a request for a hearing, the
33 executive secretary shall serve notice of the time and
34 place of the hearing by personal delivery or
35 registered or certified mail, return receipt
36 requested. The hearing must be held not later than the
37 10th day after the date the executive secretary
38 receives the request for a hearing unless the parties
39 agree to a later hearing date. At the hearing, the
40 commission has the burden of proof and must present
41 evidence in support of the order. The licensee
42 requesting the hearing may cross examine witnesses and
43 show cause why the order should not be affirmed.
44 Section 2003.021(b), Government Code, does not apply
45 to hearings conducted under this section.

1 Revised Law

2 Sec. 2025.205. SUMMARY SUSPENSION FINAL ORDER. After the
3 hearing on the suspension of a racetrack license, the executive
4 director shall affirm, modify, or set aside, wholly or partly, the
5 summary suspension order. An order affirming or modifying the
6 summary suspension order is final for purposes of enforcement and
7 appeal. (V.A.C.S. Art. 179e, Sec. 6.063(f).)

8 Source Law

9 (f) After the hearing, the executive secretary
10 shall affirm, modify, or set aside in whole or part the
11 summary suspension order. An order affirming or
12 modifying the summary suspension order is final for
13 purposes of enforcement and appeal.

14 SUBCHAPTER F. OCCUPATIONAL LICENSES

15 Revised Law

16 Sec. 2025.251. OCCUPATIONAL LICENSE REQUIRED. (a) Except
17 as provided by this section, a person, other than as a spectator or
18 as a person placing a wager, may not participate in racing with
19 pari-mutuel wagering without first obtaining a license from the
20 commission. A person may not engage in any occupation for which
21 commission rules require a license under this subtitle without
22 first obtaining a license from the commission.

23 (b) The commission by rule shall categorize the occupations
24 of racetrack employees and determine the occupations that afford
25 the employee an opportunity to influence racing with pari-mutuel
26 wagering. The rules must require an employee to be licensed under
27 this subtitle if the employee:

28 (1) works in an occupation determined by the
29 commission to afford the employee an opportunity to influence
30 racing with pari-mutuel wagering; or

31 (2) will likely have significant access to the
32 backside of a racetrack or to restricted areas of the frontside of a
33 racetrack. (V.A.C.S. Art. 179e, Secs. 7.01(a), (b).)

34 Source Law

35 Sec. 7.01. (a) Except as provided by this
36 section, a person may not participate in racing with
37 pari-mutuel wagering other than as a spectator or as a

1 person placing a wager without first obtaining a
2 license from the commission. A person may not engage
3 in any occupation for which commission rules require a
4 license under this Act without first obtaining a
5 license from the commission.

6 (b) The commission by rule shall categorize the
7 occupations of racetrack employees and determine the
8 occupations that afford the employee an opportunity to
9 influence racing with pari-mutuel wagering. The
10 rules must require the following employees to be
11 licensed under this Act:

12 (1) an employee who works in an occupation
13 determined by the commission to afford the employee an
14 opportunity to influence racing with pari-mutuel
15 wagering; or

16 (2) an employee who will likely have
17 significant access to the backside of a racetrack or to
18 restricted areas of the frontside of a racetrack.

19 Revised Law

20 Sec. 2025.252. LICENSE CATEGORIES. The commission shall
21 adopt categories of licenses for the various occupations licensed
22 under this subchapter and shall specify by rule the qualifications
23 and experience required for licensing in each category that
24 requires specific qualifications or experience. (V.A.C.S. Art.
25 179e, Sec. 7.02(b).)

26 Source Law

27 Sec. 7.02. (b) The commission shall adopt
28 categories of licenses for the various occupations
29 licensed under this article and shall specify by rule
30 the qualifications and experience required for
31 licensing in each category that requires specific
32 qualifications or experience.

33 Revised Law

34 Sec. 2025.253. EXAMINATION NOTIFICATION. (a) If an
35 examination is required for the issuance of a license under this
36 subchapter, the commission shall notify each examinee of the
37 results of the examination not later than the 30th day after the
38 date the licensing examination is administered under this subtitle.

39 (b) If requested in writing by a person who fails a
40 licensing examination administered under this subtitle, the
41 commission shall furnish the person with an analysis of the
42 person's performance on the examination. (V.A.C.S. Art. 179e,
43 Secs. 7.02(c), (d).)

44 Source Law

45 (c) If an examination is required for the
46 issuance of a license under this article, not later

1 than the 30th day after the date on which a licensing
2 examination is administered under this Act, the
3 commission shall notify each examinee of the results
4 of the examination.

5 (d) If requested in writing by a person who
6 fails a licensing examination administered under this
7 Act, the commission shall furnish the person with an
8 analysis of the person's performance on the
9 examination.

10 Revised Law

11 Sec. 2025.254. ISSUANCE OF LICENSE. The commission shall
12 issue a license to a qualified person on application and payment of
13 the license fee. (V.A.C.S. Art. 179e, Sec. 7.03.)

14 Source Law

15 Sec. 7.03. The commission shall issue a license
16 to a qualified person on application and payment of the
17 license fee.

18 Revised Law

19 Sec. 2025.255. ISSUANCE OF IDENTIFICATION CARD. The
20 commission shall issue a license certificate under this subchapter
21 in the form of an identification card with a photograph and other
22 information as prescribed by the commission. (V.A.C.S. Art. 179e,
23 Sec. 7.06.)

24 Source Law

25 Sec. 7.06. The commission shall issue a license
26 certificate under this article in the form of an
27 identification card with a photograph and other
28 information as prescribed by the commission.

29 Revised Law

30 Sec. 2025.256. LICENSE FEES. (a) The commission by rule
31 shall adopt a fee schedule for licenses issued under this
32 subchapter.

33 (b) The commission shall base the license fee amounts on the
34 relative or comparative incomes or property interests of the
35 various categories of license holders, with the lower income
36 categories charged nearer the minimum fee and the higher income
37 categories charged nearer the maximum fee.

38 (c) In setting the fee schedule under Subsection (a), the
39 commission shall include the cost of criminal history record
40 information obtained under Section 2023.058. The commission may
41 determine the best method for recovering this cost and complying

1 with this section, including collecting the costs over an extended
2 period. (V.A.C.S. Art. 179e, Sec. 7.05.)

3 Source Law

4 Sec. 7.05. (a) The commission shall adopt by
5 rule a fee schedule for licenses issued under this
6 article.

7 (b) The commission shall base the license fees
8 on the relative or comparative incomes or property
9 interests of the various categories of licensees, with
10 the lower income category of licensees being charged
11 nearer the minimum fee and the higher income category
12 of licensees charged nearer the maximum fee.

13 (c) In setting the fee schedule under Subsection
14 (a) of this section, the commission shall include the
15 cost of criminal history checks determined under
16 Section 5.05 of this Act. The commission may determine
17 the best method for recouping this cost and complying
18 with the other provisions of this section, including
19 collecting the costs over an extended period.

20 Revised Law

21 Sec. 2025.257. TERM OF LICENSE; RENEWAL. (a) A license
22 issued under this subchapter is valid for a period set by the
23 commission not to exceed 36 months following the date of issuance.
24 The license is renewable on the:

25 (1) completion of an application;

26 (2) receipt of satisfactory results of a criminal
27 history record information check; and

28 (3) payment of the fee in accordance with commission
29 rules.

30 (b) The commission by rule may adopt a system under which
31 licenses expire on various dates during the year. For the year in
32 which the license expiration date is changed, license fees shall be
33 prorated on a monthly basis so that each license holder pays only
34 that portion of the license fee that is allocable to the number of
35 months during which the license is valid. On renewal of the license
36 on the new expiration date, the total license renewal fee is
37 payable. (V.A.C.S. Art. 179e, Secs. 7.07(a), (b).)

38 Source Law

39 Sec. 7.07. (a) A license issued under this
40 article is valid for a period set by the commission not
41 to exceed 36 months following the date of its
42 issuance. It is renewable on application,
43 satisfactory results of a criminal history information
44 record check, and payment of the fee in accordance with

1 the rules of the commission.

2 (b) The commission by rule may adopt a system
3 under which licenses expire on various dates during
4 the year. For the year in which the license expiration
5 date is changed, license fees shall be prorated on a
6 monthly basis so that each licensee pays only that
7 portion of the license fee that is allocable to the
8 number of months during which the license is valid. On
9 renewal of the license on the new expiration date, the
10 total license renewal fee is payable.

11 Revised Law

12 Sec. 2025.258. CRIMINAL HISTORY RECORD INFORMATION. (a)
13 The commission shall obtain criminal history record information on
14 each applicant renewing an occupational license under this
15 subchapter.

16 (b) The commission shall ensure that criminal history
17 record information is obtained on each license holder at least once
18 every 36 months. (V.A.C.S. Art. 179e, Sec. 7.07(a-1).)

19 Source Law

20 (a-1) The commission shall obtain criminal
21 history record information on each applicant renewing
22 an occupational license under this article. The
23 commission shall ensure that criminal history record
24 information is obtained on each license holder at
25 least once every 36 months.

26 Revised Law

27 Sec. 2025.259. LICENSE VALID THROUGHOUT STATE. A license
28 issued under this subchapter is valid, as determined by the
29 commission, at all race meetings conducted in this state.
30 (V.A.C.S. Art. 179e, Sec. 7.08.)

31 Source Law

32 Sec. 7.08. A license issued under this article
33 is valid, as determined by the commission, at all race
34 meetings conducted in this state.

35 Revised Law

36 Sec. 2025.260. TEMPORARY LICENSES. (a) Pending
37 investigation of an applicant's qualifications to receive an
38 original or renewal license, the commission may issue a temporary
39 license to an applicant under this subchapter whose application
40 appears to comply with the requirements of law and who has paid the
41 necessary fee.

42 (b) The temporary license is valid for a period not to

1 exceed 120 days following the date of issuance. (V.A.C.S. Art.
2 179e, Sec. 7.09.)

3 Source Law

4 Sec. 7.09. Pending investigation of an
5 applicant's qualifications to receive an original or
6 renewal license, the commission may issue a temporary
7 license to an applicant under this article whose
8 application appears to comply with the requirements of
9 law and who has paid the necessary fee. The temporary
10 license is valid for a period not to exceed 120 days
11 from the date of issuance.

12 Revised Law

13 Sec. 2025.261. RECIPROCAL LICENSES; OUT-OF-STATE
14 APPLICANTS. (a) The commission may waive any prerequisite to
15 obtaining a license for an applicant, including any requirement to
16 submit a set of fingerprints, after reviewing the applicant's
17 credentials and determining that the applicant holds a license from
18 another state that has license requirements substantially
19 equivalent to the requirements of this state.

20 (b) The commission may waive any prerequisite to obtaining a
21 license, including any requirement to submit a set of fingerprints,
22 for an applicant who holds a license from another state with which
23 this state has a reciprocity agreement. The commission may enter
24 into agreements with other states to allow for licensing by
25 reciprocity. (V.A.C.S. Art. 179e, Sec. 7.10.)

26 Source Law

27 Sec. 7.10. (a) The commission may waive any
28 prerequisite to obtaining a license for an applicant,
29 including any requirement to submit a set of
30 fingerprints, after reviewing the applicant's
31 credentials and determining that the applicant holds a
32 valid license from another state that has license
33 requirements substantially equivalent to those of this
34 state.

35 (b) The commission may waive any prerequisite to
36 obtaining a license, including any requirement to
37 submit a set of fingerprints, for an applicant with a
38 valid license from another state with which the State
39 of Texas has a reciprocity agreement. The commission
40 may enter into reciprocal agreements with other states
41 to allow for licensing by reciprocity.

42 Revisor's Note

43 Section 7.10, V.A.C.S. Article 179e, refers to a
44 "valid license." The revised law omits "valid" as

1 unnecessary because the word does not add to the clear
2 meaning of the law. For example, a document purporting
3 to be a license is no longer a license if it is expired
4 or is a forgery.

5 Revised Law

6 Sec. 2025.262. GROUNDS FOR DENIAL, REVOCATION, AND
7 SUSPENSION OF OCCUPATIONAL LICENSE. The commission may refuse to
8 issue any original or renewal license under this subchapter or may
9 revoke or suspend the license if, after notice and hearing, the
10 commission finds that the applicant or license holder, as
11 appropriate:

12 (1) has been convicted of a violation of this subtitle
13 or a commission rule or has aided, abetted, or conspired to commit a
14 violation of this subtitle or a commission rule;

15 (2) has been convicted of a felony or a crime involving
16 moral turpitude that is reasonably related to the person's present
17 fitness to hold a license under this subtitle;

18 (3) has violated or has caused to be violated this
19 subtitle or a commission rule in a manner that involves moral
20 turpitude, as distinguished from a technical violation of this
21 subtitle or a rule;

22 (4) is unqualified, by experience or otherwise, to
23 perform the duties required of a license holder under this
24 subtitle;

25 (5) failed to answer or has falsely or incorrectly
26 answered a question in an original or renewal application;

27 (6) fails to disclose the true ownership or interest
28 in a horse or greyhound as required by commission rules;

29 (7) is indebted to this state for any fee or for the
30 payment of a penalty imposed by this subtitle or a commission rule;

31 (8) is not of good moral character or the person's
32 reputation as a peaceable, law-abiding citizen in the community
33 where the person resides is bad;

34 (9) is in the habit of using alcoholic beverages to an

1 excess or uses a controlled substance as defined in Chapter 481,
2 Health and Safety Code, or a dangerous drug as defined in Chapter
3 483, Health and Safety Code, or is mentally incapacitated;

4 (10) may be excluded from an enclosure under this
5 subtitle;

6 (11) has improperly used a temporary pass, license
7 certificate, credential, or identification card issued under this
8 subtitle;

9 (12) resides with a person whose license was revoked
10 for cause during the 12 months preceding the date of the present
11 application;

12 (13) has failed or refused to furnish a true copy of
13 the application to the commission's district office in the district
14 in which the premises for which the license is sought are located;
15 or

16 (14) is engaged or has engaged in activities or
17 practices that are detrimental to the best interests of the public
18 and the sport of horse racing or greyhound racing. (V.A.C.S. Art.
19 179e, Sec. 7.04.)

20 Source Law

21 Sec. 7.04. The commission, after notice and
22 hearing, may refuse to issue any original or renewal
23 license under this article or may revoke or suspend the
24 license if it has reasonable grounds to believe and
25 finds that:

26 (1) the applicant has been convicted in a
27 court of competent jurisdiction of a violation of this
28 Act or of any rule adopted by the commission or has
29 aided, abetted, or conspired with any person to commit
30 such a violation;

31 (2) the applicant has been convicted of a
32 felony or of any crime involving moral turpitude that
33 is reasonably related to the applicant's present
34 fitness to hold a license under this Act;

35 (3) the applicant has violated or has
36 caused to be violated this Act or a rule of the
37 commission in a manner that involves moral turpitude,
38 as distinguished from a technical violation of this
39 Act or of a rule;

40 (4) the applicant is unqualified, by
41 experience or otherwise, to perform the duties
42 required of a licensee under this Act;

43 (5) the applicant failed to answer or has
44 falsely or incorrectly answered a question in an
45 original or renewal application;

46 (6) the applicant fails to disclose the
47 true ownership or interest in a greyhound or horse as

required by the rules of the commission;

(7) the applicant is indebted to the state for any fees or for the payment of a penalty imposed by this Act or by a rule of the commission;

(8) the applicant is not of good moral character or the applicant's reputation as a peaceable, law-abiding citizen in the community where the applicant resides is bad;

(9) the applicant is in the habit of using alcoholic beverages to an excess or uses a controlled substance as defined in Chapter 481, Health and Safety Code, or a dangerous drug as defined in Chapter 483, Health and Safety Code, or is mentally incapacitated;

(10) the applicant may be excluded from a track enclosure under this Act;

(11) the commission determines that the applicant has improperly used a temporary pass, license certificate, credential, or identification card issued under this Act;

(12) the applicant is residentially domiciled with a person whose license has been revoked for cause within the 12 months immediately preceding the date of the present application;

(13) the applicant has failed or refused to furnish a true copy of the application to the commission's district office in the district in which the premises for which the permit is sought are located; or

(14) the applicant is engaged or has engaged in activities or practices that are detrimental to the best interests of the public and the sport of horse racing or greyhound racing.

Revisor's Note

(1) Section 7.04(1), V.A.C.S. Article 179e, refers to a conviction in a "court of competent jurisdiction." The revised law omits the quoted language as unnecessary for the reason stated in Revisor's Note (1) to Section 2025.201.

(2) Section 7.04(10), V.A.C.S. Article 179e, refers to a "track enclosure." The reference to "track" is omitted from the revised law for the reason stated in Revisor's Note (2) to Section 2025.201.

CHAPTER 2026. RACETRACK OPERATION AND PREMISES

SUBCHAPTER A. REGULATION OF RACETRACK

Sec. 2026.001. PLANNING, CONSTRUCTION, AND OPERATION

RULES 124

Sec. 2026.002. PREVENTION OF SUBTERFUGE IN RACETRACK

OWNERSHIP OR OPERATION 124

Sec. 2026.003. FINANCIAL DISCLOSURE 124

Sec. 2026.004. RACING LOCATION 125

1	Sec. 2026.005.	CHANGE OF RACING LOCATION	126
2	Sec. 2026.006.	LEASE OF RACETRACK PREMISES	127
3	Sec. 2026.007.	INAPPROPRIATE OR UNSAFE CONDITIONS;	
4		ENFORCEMENT; RULES	128
5	Sec. 2026.008.	SUPERVISION OF CONSTRUCTION, RENOVATION,	
6		AND MAINTENANCE; ENFORCEMENT	130
7	Sec. 2026.009.	RACETRACK SECURITY	132
8	Sec. 2026.010.	KENNELS	132
9	Sec. 2026.011.	AUTOMOBILE RACING FACILITY PROHIBITED	
10		NEAR RACETRACK IN CERTAIN COUNTIES	133
11	Sec. 2026.012.	OTHER LAWFUL BUSINESSES AUTHORIZED	134
12	Sec. 2026.013.	EMPLOYEE COMPLIANCE	134
13		SUBCHAPTER B. EXCLUSION OR EJECTION FROM RACETRACK	
14	Sec. 2026.051.	COMMISSION RULES REGARDING EXCLUSION OR	
15		EJECTION	135
16	Sec. 2026.052.	EXCLUSION OR EJECTION FROM ENCLOSURE;	
17		HEARING; APPEAL	137
18	Sec. 2026.053.	EXCLUSION OR EJECTION BY RACETRACK	
19		ASSOCIATION	139
20	Sec. 2026.054.	CRIMINAL TRESPASS AT ENCLOSURE	139
21		SUBCHAPTER C. CLASSIFICATION OF HORSE RACETRACKS	
22	Sec. 2026.101.	CLASSIFICATION	140
23	Sec. 2026.102.	CLASS 1 RACETRACK	140
24	Sec. 2026.103.	CLASS 2 RACETRACK	141
25	Sec. 2026.104.	CLASS 3 RACETRACK	141
26	Sec. 2026.105.	CLASS 4 RACETRACK	142
27	Sec. 2026.106.	WAIVER OR DEFERRAL OF CERTAIN STANDARDS	
28		FOR CLASS 4 RACETRACK	142
29	Sec. 2026.107.	CALCULATION OF LIVE AND SIMULCAST RACE	
30		DATES	143
31		SUBCHAPTER D. CONCESSION, MANAGEMENT, OR TOTALISATOR CONTRACTS;	
32		SECURITY PLANS	
33	Sec. 2026.151.	COMMISSION APPROVAL REQUIRED	143

1 Sec. 2026.152. COMMISSION REVIEW OF SECURITY PLANS AND
2 CERTAIN CONTRACTS 144
3 Sec. 2026.153. MANAGEMENT CONTRACT: REQUIREMENTS AND
4 LIMITATIONS 145

5 CHAPTER 2026. RACETRACK OPERATION AND PREMISES
6 SUBCHAPTER A. REGULATION OF RACETRACK

7 Revised Law

8 Sec. 2026.001. PLANNING, CONSTRUCTION, AND OPERATION
9 RULES. To preserve and protect the public health, welfare, and
10 safety, the commission shall adopt rules relating to all matters
11 concerning the planning, construction, and operation of
12 racetracks. (V.A.C.S. Art. 179e, Sec. 6.06(a) (part).)

13 Source Law

14 Sec. 6.06. (a) To preserve and protect the
15 public health, welfare, and safety, the commission
16 shall adopt rules relating to . . . all matters
17 relating to the planning, construction, and operation
18 of racetracks. . . .

19 Revised Law

20 Sec. 2026.002. PREVENTION OF SUBTERFUGE IN RACETRACK
21 OWNERSHIP OR OPERATION. This subtitle shall be liberally construed
22 to prevent subterfuge in the ownership and operation of a
23 racetrack. (V.A.C.S. Art. 179e, Sec. 6.06(d) (part).)

24 Source Law

25 (d) . . . Subterfuge in the ownership and
26 operation of a racetrack shall be prevented, and this
27 Act shall be liberally construed to carry out this
28 intent.

29 Revised Law

30 Sec. 2026.003. FINANCIAL DISCLOSURE. (a) The commission
31 by rule shall require that each racetrack association that holds a
32 license for a class 1 racetrack, class 2 racetrack, or greyhound
33 racetrack annually file with the commission a detailed financial
34 statement that:

- 35 (1) contains the names and addresses of all
36 stockholders, members, and owners of any interest in the racetrack;
37 (2) indicates compliance during the filing period with

1 Section 2025.101; and

2 (3) includes any other information required by the
3 commission.

4 (b) Each transaction that involves an acquisition or a
5 transfer of a pecuniary interest in the racetrack association must
6 receive prior approval from the commission. A transaction that
7 changes the ownership of the racetrack association requires
8 submission of updated information of the type required to be
9 disclosed under Section 2025.052 and payment of a fee to recover the
10 costs of the criminal background check. (V.A.C.S. Art. 179e, Sec.
11 6.13.)

12 Source Law

13 Sec. 6.13. (a) The commission by rule shall
14 require that each association holding a license for a
15 class 1 racetrack, class 2 racetrack, or greyhound
16 racetrack must annually file with the commission a
17 detailed financial statement that:

18 (1) contains the names and addresses of
19 all stockholders, members and owners of any interest
20 in the racetrack facility;

21 (2) indicates compliance during the filing
22 period with Section 6.06 of this Act; and

23 (3) includes any other information
24 required by the commission.

25 (b) Each transaction that involves an
26 acquisition or a transfer of a pecuniary interest in
27 the association must receive prior approval from the
28 commission. A transaction that changes the ownership
29 of the association requires submission of updated
30 information of the type required to be disclosed under
31 Subsection (a) of Section 6.03 of this Act and payment
32 of a fee to recover the costs of the criminal
33 background check.

34 Revisor's Note

35 Section 6.13(a), V.A.C.S. Article 179e, refers to
36 a "racetrack facility." Throughout this chapter, the
37 revised law substitutes "racetrack" for "racetrack
38 facility" for the reasons stated in Revisor's Note (19)
39 to Section 2021.003, Occupations Code.

40 Revised Law

41 Sec. 2026.004. RACING LOCATION. (a) Except as provided by
42 this section, Section 2026.005, or Section 2025.103, a racetrack
43 association may not conduct horse racing or greyhound racing at any
44 place other than the place designated in the license.

1 (b) If the racetrack or enclosure designated in the license
2 becomes unsuitable for racing because of fire, flood, or other
3 catastrophe, the affected racetrack association, with the prior
4 approval of the commission, may conduct a race meeting or any
5 remaining portion of a meeting temporarily at any other racetrack
6 if the other racetrack license holder:

7 (1) is licensed by the commission to conduct the same
8 type of racing as may be conducted by the affected racetrack
9 association; and

10 (2) consents to the usage. (V.A.C.S. Art. 179e, Sec.
11 6.14(a).)

12 Source Law

13 Sec. 6.14. (a) An association may not conduct
14 greyhound or horse racing at any place other than the
15 place designated in the license except as provided by
16 this section or by Section 6.15 of this Act. However,
17 if the racetrack or enclosure designated in the
18 license becomes unsuitable for racing because of fire,
19 flood, or other catastrophe, the affected association,
20 with the prior approval of the commission, may conduct
21 a race meeting or any remaining portion of a meeting
22 temporarily at any other racetrack licensed by the
23 commission to conduct the same type of racing as may be
24 conducted by the affected association if the licensee
25 of the other racetrack also consents to the usage.

26 Revisor's Note

27 Section 6.14(a), V.A.C.S. Article 179e, refers to
28 an "association," meaning the term defined by Section
29 1.03(2), V.A.C.S. Article 179e, revised in this
30 subtitle as Section 2021.003(42). Throughout this
31 chapter, the revised law substitutes "racetrack
32 association" as the defined term for the reasons
33 stated in Revisor's Note (20) to Section 2021.003.

34 Revised Law

35 Sec. 2026.005. CHANGE OF RACING LOCATION. On request of a
36 racetrack association, the commission shall amend a racetrack
37 license to change the location of the racetrack if the commission
38 determines that:

39 (1) the conduct of race meetings at the proposed new
40 location will be in the public interest;

1 (2) there was not a competing applicant for the
2 original license; and

3 (3) the racetrack association's desire to change
4 location is not the result of a subterfuge in the original licensing
5 proceeding. (V.A.C.S. Art. 179e, Sec. 6.14(d).)

6 Source Law

7 (d) On request of an association, the commission
8 shall amend a racetrack license to change the location
9 of the racetrack if the commission finds that:

10 (1) the conduct of race meetings at the
11 proposed track at the new location will be in the
12 public interest;

13 (2) there was not a competing applicant
14 for the original license; and

15 (3) the association's desire to change
16 location is not the result of a subterfuge in the
17 original licensing proceeding.

18 Revised Law

19 Sec. 2026.006. LEASE OF RACETRACK PREMISES. (a) The
20 commission by rule may authorize a racetrack association, as
21 lessee, to contract for the lease of a racetrack and the surrounding
22 structures.

23 (b) The commission may not approve a lease if:

24 (1) the lease appears to be a subterfuge to evade
25 compliance with Section 2025.101 or 2025.201;

26 (2) the racetrack and surrounding structures do not
27 conform to the rules adopted under this subtitle; or

28 (3) the lessee, prospective lessee, or lessor is
29 disqualified from holding a racetrack license.

30 (c) Each lessor and lessee under this section must comply
31 with the disclosure requirements of Section 2025.052(a)(1). The
32 commission may not approve a lease if the lessor and lessee do not
33 provide the required information. (V.A.C.S. Art. 179e, Sec. 6.07.)

34 Source Law

35 Sec. 6.07. (a) The commission may adopt rules
36 to authorize an association, as lessee, to contract
37 for the lease of a racetrack and the surrounding
38 structures.

39 (b) The commission may not approve a lease if:

40 (1) it appears that the lease is a
41 subterfuge to evade compliance with Section 6.05 or
42 6.06 of this Act;

43 (2) the racetrack and surrounding

1 structures do not conform to the rules adopted under
2 this Act; or

3 (3) the lessee, prospective lessee, or
4 lessor is disqualified from holding a racetrack
5 license.

6 (c) Each lessor and lessee under this section
7 must comply with the disclosure requirements of
8 Subdivision (1) of Subsection (a) of Section 6.03 of
9 this Act. The commission may not approve a lease if
10 the lessor and lessee do not provide the required
11 information.

12 Revisor's Note

13 Section 6.07(b)(1), V.A.C.S. Article 179e,
14 states that the Texas Racing Commission may not
15 approve a lease for a racetrack if, among other
16 requirements, "the lease is a subterfuge to evade
17 compliance with Section 6.05 or 6.06 of this Act
18" The revised law omits the reference to
19 Section 6.05, V.A.C.S. Article 179e, because it was
20 repealed by Chapter 386, Acts of the 72nd Legislature,
21 Regular Session, 1991.

22 Revised Law

23 Sec. 2026.007. INAPPROPRIATE OR UNSAFE CONDITIONS;
24 ENFORCEMENT; RULES. (a) The executive director shall issue a
25 notice of violation to a racetrack association on a determination
26 that an inappropriate or unsafe condition exists at a racetrack.

27 (b) If the executive director determines that an
28 inappropriate or unsafe condition exists at the racetrack, the
29 executive director shall order the racetrack association to take
30 action within a specified period to remedy the inappropriate or
31 unsafe condition. In determining the period for compliance, the
32 executive director shall consider:

33 (1) the nature and severity of the problem; and

34 (2) the threat to the health, safety, and welfare of
35 race participants, patrons, and animals.

36 (c) The commission by rule shall require a report of any
37 corrective action taken by a racetrack association in response to
38 an order of the executive director under Subsection (b).

39 (d) If a racetrack association fails to take action as

1 required under Subsection (b), the executive director shall
2 initiate an enforcement action against the racetrack association.
3 The executive director may rescind any live or simulcast race date
4 of a racetrack association that does not take corrective action
5 within the period set by the executive director.

6 (e) The commission shall adopt rules implementing this
7 section, including rules:

8 (1) requiring the report and correction of:

9 (A) an inappropriate condition on the premises of
10 a racetrack, including a failure to properly maintain the premises,
11 that interferes with the administration of this subtitle; and

12 (B) a condition on the premises that makes the
13 premises unsafe for a race participant, patron, or animal; and

14 (2) determining the methods and manner by which the
15 executive director may determine and remedy inappropriate or unsafe
16 conditions on the premises, including the methods and manner in
17 which the executive director may conduct inspections of the
18 premises and remedy emergency situations.

19 (f) The commission shall adopt rules relating to the
20 commission's review of an action taken under this section by the
21 executive director. A review procedure adopted under this
22 subsection must be consistent with Chapter 2001, Government Code.
23 (V.A.C.S. Art. 179e, Sec. 6.061.)

24 Source Law

25 Sec. 6.061. (a) The commission shall adopt
26 rules implementing this section, including rules:

27 (1) requiring the report of and correction
28 of:

29 (A) an inappropriate condition on the
30 premises of a racetrack facility, including a failure
31 to properly maintain the facility, that interferes
32 with the administration of this Act; or

33 (B) a condition on the premises of a
34 racetrack facility that makes the facility unsafe for
35 a race participant, patron, or animal; and

36 (2) determining the methods and manner in
37 which the executive secretary may determine and remedy
38 inappropriate conditions or unsafe facilities on the
39 premises of a racetrack facility, including the
40 methods and manner in which the executive secretary
41 may conduct inspections of the racetrack facility and
42 remedy emergency situations.

43 (b) The executive secretary shall issue a notice

1 of violation to a racetrack facility on a finding that
2 an inappropriate or unsafe condition exists.

3 (c) If the executive secretary determines that
4 an inappropriate or unsafe condition exists at the
5 racetrack facility, the executive secretary shall
6 order the racetrack facility to take action within a
7 specified period to remedy the inappropriate condition
8 or unsafe condition. In determining the period for
9 compliance, the executive secretary shall consider the
10 nature and severity of the problem and the threat to
11 the health, safety, and welfare of the race
12 participants, patrons, or animals.

13 (d) The commission shall adopt rules requiring
14 the reporting of any corrective action taken by a
15 racetrack facility in response to an order of the
16 executive secretary under Subsection (c) of this
17 section.

18 (e) If a racetrack facility fails to take any
19 action as required under Subsection (c) of this
20 section, the executive secretary shall initiate an
21 enforcement action against the racetrack facility.
22 The executive secretary may rescind any live or
23 simulcast race date of any racetrack association that
24 does not take corrective action within the period set
25 by the executive secretary.

26 (f) The commission shall adopt rules relating to
27 the commission's review of an action taken under this
28 section by the executive secretary. A review
29 procedure adopted under this subsection must be
30 consistent with Chapter 2001, Government Code.

31 Revisor's Note

32 (1) Section 6.061, V.A.C.S. Article 179e,
33 refers to "inappropriate conditions or unsafe
34 facilities" and to an "inappropriate or unsafe
35 condition." The revised law substitutes
36 "inappropriate or unsafe conditions" for the former
37 phrase for consistency of terminology throughout the
38 section.

39 (2) Section 6.061, V.A.C.S. Article 179e,
40 refers to a "racetrack facility" and "racetrack
41 association" in relation to certain duties of a
42 racetrack association. Throughout this chapter, the
43 revised law substitutes "racetrack association" for
44 "racetrack facility" when the context clearly refers
45 to a duty of the racetrack association rather than a
46 duty of a facility.

47 Revised Law

48 Sec. 2026.008. SUPERVISION OF CONSTRUCTION, RENOVATION,
49 AND MAINTENANCE; ENFORCEMENT. (a) The commission shall adopt a

1 method of supervising and approving the construction, renovation,
2 or maintenance of any building or improvement on the premises of a
3 racetrack.

4 (b) The commission shall adopt rules relating to:

5 (1) the approval of plans and specifications;

6 (2) the contents of plans and specifications;

7 (3) the maintenance of records to ensure compliance
8 with approved plans and specifications;

9 (4) the content and filing of construction progress
10 reports by the racetrack association to the commission;

11 (5) the inspection by the commission or others;

12 (6) the method for making a change or amendment to an
13 approved plan or specification; and

14 (7) any other method of supervision or oversight
15 necessary.

16 (c) If the commission has grounds to believe that a
17 racetrack association has failed to comply with the requirements of
18 this section, a representative of the racetrack association shall
19 appear before the commission to consider the issue of compliance
20 with rules adopted under this section.

21 (d) Before a building or improvement may be used by a
22 racetrack association, the commission shall determine whether:

23 (1) the construction, renovation, or maintenance of
24 the building or improvement was completed in accordance with the
25 approved plans and specifications; and

26 (2) other commission requirements were met.

27 (e) If the commission determines that the racetrack
28 association failed to comply with a requirement of this section or a
29 rule adopted under this section, the commission shall initiate an
30 enforcement action against the racetrack association. In addition
31 to any other authorized enforcement action, the commission may
32 rescind any live or simulcast race date of any racetrack
33 association that has failed to comply with the requirements of this
34 section. (V.A.C.S. Art. 179e, Sec. 6.062.)

1 Source Law

2 Sec. 6.062. (a) The commission shall adopt a
3 method of supervising and approving the construction,
4 renovation, or maintenance of any building or
5 improvement on the premises of a racetrack facility.

6 (b) The commission shall adopt rules relating
7 to:

8 (1) the approval of plans and
9 specifications;

10 (2) the contents of plans and
11 specifications;

12 (3) the maintenance of records to ensure
13 compliance with approved plans and specifications;

14 (4) the content and filing of construction
15 progress reports by the racetrack facility to the
16 commission;

17 (5) the inspection by the commission or
18 others;

19 (6) the method for making a change or
20 amendment to an approved plan or specification; and

21 (7) any other method of supervision or
22 oversight necessary.

23 (c) If the commission has grounds to believe
24 that an association has failed to comply with the
25 requirements of this section, a representative of the
26 association shall appear before the commission to
27 consider the issue of compliance with the rules
28 adopted under this section.

29 (d) Before a building or improvement may be used
30 by the association, the commission shall determine
31 whether the construction, renovation, or maintenance
32 of the building or improvement was completed in
33 accordance with the approved plans and specifications
34 and whether other requirements of the commission were
35 met.

36 (e) If the commission determines that the
37 association failed to comply with a requirement of
38 this section or rule adopted under this section, the
39 commission shall initiate an enforcement action
40 against the association. In addition to any other
41 authorized enforcement action, the commission may
42 rescind any live or simulcast race date of any
43 association that has failed to comply with the
44 requirement of this section.

45 Revised Law

46 Sec. 2026.009. RACETRACK SECURITY. A horse racetrack
47 association shall provide adequate security at the racetrack
48 association's racetrack to ensure the safety of the spectators,
49 employees, and animals. (V.A.C.S. Art. 179e, Sec. 9.07.)

50 Source Law

51 Sec. 9.07. The horse racing association shall
52 provide security at its track that is adequate to
53 ensure the safety of the spectators, employees, and
54 animals.

55 Revised Law

56 Sec. 2026.010. KENNELS. (a) Each greyhound racetrack

1 association shall:

2 (1) contract for a maximum of 18 kennels; and

3 (2) provide free kennel rent and schooling.

4 (b) In contracting with kennel owners for a racetrack, a
5 racetrack association shall ensure that at least 50 percent of the
6 kennels with which the racetrack association contracts are wholly
7 owned by residents of this state.

8 (c) For purposes of this section, "residents of this state"
9 are individuals who have resided in Texas for the five-year period
10 preceding the date the kennel contract is signed. (V.A.C.S. Art.
11 179e, Secs. 10.03, 10.06.)

12 Source Law

13 Sec. 10.03. Each greyhound racetrack must
14 contract for a maximum of 18 kennels and shall provide
15 free kennel rent and schooling.

16 Sec. 10.06. (a) In contracting with kennel
17 owners for a racetrack, an association shall ensure
18 that at least 50 percent of the kennels with which the
19 association contracts are wholly owned by Texas
20 residents.

21 (b) In this section, "Texas resident" means an
22 individual who has resided in Texas for the five-year
23 period preceding the date the kennel contract is
24 signed.

25 Revised Law

26 Sec. 2026.011. AUTOMOBILE RACING FACILITY PROHIBITED NEAR
27 RACETRACK IN CERTAIN COUNTIES. An automobile racing facility may
28 not be located within 10,000 feet of a horse or greyhound racetrack
29 that is located in a county with a population of 1.8 million or
30 more. (V.A.C.S. Art. 179e, Sec. 11.10.)

31 Source Law

32 Sec. 11.10. No automobile racing facility may
33 be located within 10,000 feet of a horse or greyhound
34 racetrack licensed under this Act that is located in a
35 county with a population of 1,800,000 or more,
36 according to the most recent federal census.

37 Revisor's Note

38 (1) Section 11.10, V.A.C.S. Article 179e,
39 refers to a horse or greyhound "racetrack licensed
40 under this Act." Throughout this chapter, the revised
41 law omits the phrase "licensed under this Act" as

1 unnecessary because the phrase is included in the
2 definition of "racetrack" under Section 1.03(25),
3 V.A.C.S. Article 179e, revised in this subtitle as
4 Section 2021.003(41).

5 (2) Section 11.10, V.A.C.S. Article 179e,
6 describes a population determined "according to the
7 most recent federal census." The revised law omits the
8 reference to the federal census because the reference
9 is unnecessary. Section 311.005(3), Government Code
10 (Code Construction Act), applicable to the revised
11 law, defines "population" as population according to
12 the most recent federal decennial census.

13 Revised Law

14 Sec. 2026.012. OTHER LAWFUL BUSINESSES AUTHORIZED. A
15 racetrack association may conduct other lawful business on the
16 racetrack association's grounds. (V.A.C.S. Art. 179e, Sec. 18.03.)

17 Source Law

18 Sec. 18.03. An association may conduct other
19 lawful business on the association's grounds.

20 Revised Law

21 Sec. 2026.013. EMPLOYEE COMPLIANCE. (a) A racetrack is
22 responsible for ensuring that the racetrack's employees comply with
23 this subtitle and commission rules.

24 (b) The commission may impose disciplinary action against a
25 racetrack for violations of this subtitle and commission rules by
26 the racetrack's employees as provided by Section 2025.202.
27 (V.A.C.S. Art. 179e, Sec. 7.01(c).)

28 Source Law

29 (c) A racetrack licensed under this Act is
30 responsible for ensuring that its employees comply
31 with this Act and commission rules. The commission may
32 impose disciplinary action against a licensed
33 racetrack for violations of this Act and commission
34 rules by its employees as provided by Section 6.0603 of
35 this Act.

1 SUBCHAPTER B. EXCLUSION OR EJECTION FROM RACETRACK

2 Revised Law

3 Sec. 2026.051. COMMISSION RULES REGARDING EXCLUSION OR
4 EJECTION. The commission shall adopt rules providing for the
5 exclusion or ejection from an enclosure where horse or greyhound
6 races are conducted, or from specified portions of an enclosure, of
7 a person:

8 (1) who has engaged in bookmaking, touting, or illegal
9 wagering;

10 (2) whose income is from illegal activities or
11 enterprises;

12 (3) who has been convicted of a violation of this
13 subtitle;

14 (4) who has been convicted of theft;

15 (5) who has been convicted under the penal law of
16 another jurisdiction for committing an act that would have
17 constituted a violation of any rule described in this section;

18 (6) who has committed a corrupt or fraudulent act in
19 connection with horse or greyhound racing or pari-mutuel wagering
20 or who has committed any act tending or intended to corrupt horse or
21 greyhound racing or pari-mutuel wagering;

22 (7) who is under suspension or has been excluded or
23 ejected from a racetrack by the commission or a steward in this
24 state or by a corresponding authority in another state because of
25 corrupt or fraudulent practices or other acts detrimental to
26 racing;

27 (8) who has submitted a forged pari-mutuel ticket or
28 has altered or forged a pari-mutuel ticket for cashing or who has
29 cashed or caused to be cashed an altered, raised, or forged
30 pari-mutuel ticket;

31 (9) who has been convicted of committing a lewd or
32 lascivious act or other crime involving moral turpitude;

33 (10) who is guilty of boisterous or disorderly conduct
34 while inside an enclosure;

1 (11) who is an agent or habitual associate of a person
2 excludable under this section; or

3 (12) who has been convicted of a felony. (V.A.C.S.
4 Art. 179e, Sec. 13.01.)

5 Source Law

6 Sec. 13.01. The commission shall adopt rules
7 providing for the exclusion or ejection from an
8 enclosure where greyhound races or horse races are
9 conducted, or from specified portions of an enclosure,
10 of a person:

11 (1) who has engaged in bookmaking,
12 touting, or illegal wagering;

13 (2) whose income is from illegal
14 activities or enterprises;

15 (3) who has been convicted of a violation
16 of this Act;

17 (4) who has been convicted of theft;

18 (5) who has been convicted under the penal
19 law of another jurisdiction for committing an act that
20 would have constituted a violation of any of the rules
21 mentioned in this section;

22 (6) who has committed a corrupt or
23 fraudulent act in connection with greyhound racing or
24 horse racing or pari-mutuel wagering or who has
25 committed any act tending or intended to corrupt
26 greyhound racing or horse racing or pari-mutuel
27 wagering in this state or elsewhere;

28 (7) who is under suspension or ruled off a
29 racetrack by the commission or a steward in this state
30 or by a corresponding authority in another state
31 because of fraudulent or corrupt practices or other
32 acts detrimental to racing;

33 (8) who has submitted a forged pari-mutuel
34 ticket or has altered or forged a pari-mutuel ticket
35 for cashing or who has cashed or caused to be cashed an
36 altered, raised, or forged pari-mutuel ticket;

37 (9) who has been convicted of committing a
38 lewd or lascivious act or other crime involving moral
39 turpitude;

40 (10) who is guilty of boisterous or
41 disorderly conduct while inside a racing enclosure;

42 (11) who is an agent or habitual associate
43 of a person excludable under this section; or

44 (12) who has been convicted of a felony.

45 Revisor's Note

46 (1) Section 13.01(6), V.A.C.S. Article 179e,
47 refers to pari-mutuel wagering "in this state or
48 elsewhere." The revised law omits the quoted language
49 because the phrase does not provide any further
50 limitation on people who are to be excluded or ejected
51 from an enclosure.

52 (2) Section 13.01(7), V.A.C.S. Article 179e,
53 refers to a person "who is under suspension or ruled

1 off a racetrack by the commission." To clarify the
2 meaning of "ruled off a racetrack" within the context
3 of the section, the revised law substitutes "excluded
4 or ejected from a racetrack."

5 Revised Law

6 Sec. 2026.052. EXCLUSION OR EJECTION FROM ENCLOSURE;
7 HEARING; APPEAL. (a) A person who is excluded or ejected from an
8 enclosure under a commission rule may apply to the commission for a
9 hearing on the question of the applicability of the rule to that
10 person.

11 (b) An application for a hearing under Subsection (a)
12 constitutes a contested case under Chapter 2001, Government Code.
13 If, after a hearing as provided under Subchapter C of that chapter,
14 the commission determines that the exclusion or ejection was
15 proper:

16 (1) the commission shall issue an order to that effect
17 and enter the order in the commission's minutes; and

18 (2) the person shall continue to be excluded from each
19 racetrack association's enclosure.

20 (c) A person excluded or ejected may appeal an adverse
21 decision of the commission by filing a petition for judicial review
22 in the manner provided by Subchapter G, Chapter 2001, Government
23 Code. Venue for the review is in a district court in Travis County.

24 (d) The judgment of the court may be appealed as in other
25 civil cases. The person appealing the commission's ruling under
26 this subtitle shall continue to be excluded from all enclosures in
27 this state during the pendency of the appeal. (V.A.C.S. Art. 179e,
28 Secs. 13.02(a), (b), (c) (part), (d).)

29 Source Law

30 Sec. 13.02. (a) A person who is excluded or
31 ejected from an enclosure under a rule of the
32 commission may apply to the commission for a hearing on
33 the question of the applicability of the rule to that
34 person.

35 (b) Such an application constitutes a contested
36 case under the Administrative Procedure and Texas
37 Register Act (Article 6252-13a, Vernon's Texas Civil
38 Statutes). If, after a hearing as provided under

1 Section 13 of that Act, the commission determines that
2 the exclusion or ejection was proper, it shall make and
3 enter an order to that effect in its minutes, and the
4 person shall continue to be excluded from each
5 association.

6 (c) The person excluded or ejected may appeal an
7 adverse decision of the commission by filing a
8 petition for judicial review in the manner provided by
9 Section 19 of the Administrative Procedure and Texas
10 Register Act (Article 6252-13a, Vernon's Texas Civil
11 Statutes). . . . Venue for the review is in a district
12 court in Travis County.

13 (d) The judgment of the court may be appealed as
14 in other civil cases. The person appealing the
15 commission's ruling under this article shall continue
16 to be excluded from all enclosures in this state during
17 the pendency of the appeal.

18 Revisor's Note

19 (1) Sections 13.02(b) and (c), V.A.C.S. Article
20 179e, refer to "the Administrative Procedure and Texas
21 Register Act (Article 6252-13a, Vernon's Texas Civil
22 Statutes)" and to Sections 13 and 19 of that Act. The
23 administrative procedure sections of that statute were
24 codified in 1993 as Chapter 2001, Government Code.
25 Section 13 was codified as Subchapter C of Chapter
26 2001, and Section 19 was codified as Subchapter G of
27 Chapter 2001. The revised law is drafted accordingly.

28 (2) Section 13.02(b), V.A.C.S. Article 179e,
29 states that "it shall make and enter an order to that
30 effect in its minutes." The revised law substitutes
31 the phrases "the commission shall issue an order" and
32 "enter the order in the commission's minutes" to
33 clarify the commission's actions under that provision.

34 (3) Section 13.02(c), V.A.C.S. Article 179e,
35 provides that the judicial review is subject to the
36 substantial evidence rule. The revised law omits the
37 reference to the judicial review standard as
38 unnecessary because the standard of review for a
39 contested case is provided under Section 2001.174,
40 Government Code. The omitted law reads:

41 (c) . . . Judicial review under this
42 subsection is subject to the substantial
43 evidence rule. . . .

1 Revised Law

2 Sec. 2026.053. EXCLUSION OR EJECTION BY RACETRACK
3 ASSOCIATION. This subtitle does not prohibit a racetrack
4 association from excluding or ejecting a person from the racetrack
5 association's enclosure for any lawful reason. (V.A.C.S. Art.
6 179e, Sec. 13.04.)

7 Source Law

8 Sec. 13.04. Nothing in this article shall
9 prohibit an association from evicting or excluding a
10 person from its enclosure for any lawful reason.

11 Revisor's Note

12 Section 13.04, V.A.C.S. Article 179e, refers to
13 "evicting or excluding a person." The revised law
14 substitutes "ejecting" for "evicting" for consistency
15 in the terminology used throughout this subtitle.

16 Revised Law

17 Sec. 2026.054. CRIMINAL TRESPASS AT ENCLOSURE. A person,
18 for the purposes of Section 30.05, Penal Code, is presumed to have
19 received notice that entry to an enclosure was forbidden if the
20 person:

21 (1) was excluded or ejected from the enclosure under
22 this subchapter;

23 (2) possessed, displayed, or used in the enclosure a
24 credential that the person was not authorized to use; or

25 (3) entered the enclosure using a falsified
26 credential. (V.A.C.S. Art. 179e, Sec. 13.03.)

27 Source Law

28 Sec. 13.03. A person, for the purposes of
29 Section 30.05, Penal Code, is presumed to have
30 received notice that entry to an enclosure was
31 forbidden if the person:

32 (1) was excluded or ejected from the
33 enclosure under this Act;

34 (2) possessed, displayed, or used in the
35 enclosure a credential that the person was not
36 authorized to use; or

37 (3) entered the enclosure using a
38 falsified credential.

1 SUBCHAPTER C. CLASSIFICATION OF HORSE RACETRACKS

2 Revised Law

3 Sec. 2026.101. CLASSIFICATION. A horse racetrack is
4 classified as:

- 5 (1) a class 1 racetrack;
6 (2) a class 2 racetrack;
7 (3) a class 3 racetrack; or
8 (4) a class 4 racetrack. (V.A.C.S. Art. 179e, Sec.
9 6.02(a).)

10 Source Law

11 Sec. 6.02. (a) Horse-racing tracks are
12 classified as class 1 racetracks, class 2 racetracks,
13 class 3 racetracks, and class 4 racetracks.

14 Revisor's Note

15 Section 6.02(a), V.A.C.S. Article 179e, refers to
16 "horse-racing tracks." The revised law substitutes
17 "horse racetrack" because the phrase has the same
18 meaning, and "racetrack" is a defined term in Section
19 1.03(25), V.A.C.S. Article 179e, revised in this
20 subtitle as Section 2021.003(41).

21 Revised Law

22 Sec. 2026.102. CLASS 1 RACETRACK. (a) A class 1 racetrack
23 is a racetrack on which live racing is conducted for a number of
24 days in a calendar year, as determined by the commission under
25 Subchapter A, Chapter 2029.

26 (b) A class 1 racetrack may operate only in a county with a
27 population of not less than 1.3 million, or in a county adjacent to
28 such a county.

29 (c) Not more than three class 1 racetracks may be licensed
30 and operated in this state. (V.A.C.S. Art. 179e, Sec. 6.02(b).)

31 Source Law

32 (b) A class 1 racetrack is a racetrack on which
33 live racing is conducted for a number of days in a
34 calendar year, the number of days and the actual dates
35 to be determined by the commission under Article 8 of
36 this Act. A class 1 racetrack may operate only in a
37 county with a population of not less than 1.3 million,
38 or in a county adjacent to a county with such a

1 population. Not more than three class 1 racetracks may
2 be licensed and operated in this state.

3 Revised Law

4 Sec. 2026.103. CLASS 2 RACETRACK. (a) A class 2 racetrack
5 is a racetrack on which live racing is conducted for a number of
6 days, as determined by the commission under Subchapter A, Chapter
7 2029.

8 (b) A class 2 racetrack is entitled to conduct 60 days of
9 live racing in a calendar year. A racetrack association may request
10 additional or fewer days of live racing. If, after receipt of a
11 request from a racetrack association, the commission determines
12 additional or fewer days to be economically feasible and in the best
13 interest of this state and the racing industry, the commission
14 shall grant the request.

15 (c) The commission may permit a racetrack association that
16 holds a class 2 racetrack license and that is located in a national
17 historic district to conduct horse races for more than 60 days in a
18 calendar year. (V.A.C.S. Art. 179e, Sec. 6.02(c).)

19 Source Law

20 (c) A class 2 racetrack is a racetrack on which
21 live racing is conducted for a number of days to be
22 determined by the commission under Article 8 of this
23 Act. A class 2 racetrack is entitled to conduct 60 days
24 of live racing in a calendar year. An association may
25 request additional or fewer days of live racing. If
26 after receipt of a request from an association the
27 commission determines additional or fewer days to be
28 economically feasible and in the best interest of the
29 state and the racing industry, the commission shall
30 grant the additional or fewer days. The commission may
31 permit an association that holds a class 2 racetrack
32 license and that is located in a national historic
33 district to conduct horse races for more than 60 days
34 in a calendar year.

35 Revised Law

36 Sec. 2026.104. CLASS 3 RACETRACK. (a) A class 3 racetrack
37 is a racetrack operated by a county or a nonprofit fair under
38 Chapter 2032.

39 (b) A racetrack association that holds a class 3 racetrack
40 license and that conducted horse races in 1986 may conduct live
41 races for a number of days not to exceed 16 days in a calendar year
42 on the dates selected by the racetrack association. (V.A.C.S. Art.

1 179e, Sec. 6.02(d).)

2 Source Law

3 (d) A class 3 racetrack is a racetrack operated
4 by a county or a nonprofit fair under Article 12 of
5 this Act. An association that holds a class 3 racetrack
6 license and that conducted horse races in 1986 may
7 conduct live races for a number of days not to exceed
8 16 days in a calendar year on the dates selected by the
9 association.

10 Revised Law

11 Sec. 2026.105. CLASS 4 RACETRACK. (a) A class 4 racetrack
12 is a racetrack operated by a county fair under Section 2032.002.

13 (b) A racetrack association that holds a class 4 racetrack
14 license may conduct live races for a number of days not to exceed
15 five days in a calendar year on dates selected by the racetrack
16 association and approved by the commission. (V.A.C.S. Art. 179e,
17 Sec. 6.02(g).)

18 Source Law

19 (g) A class 4 racetrack is a racetrack operated
20 by a county fair under Section 12.03 of this Act. An
21 association that holds a class 4 racetrack license may
22 conduct live races for a number of days not to exceed
23 five days in a calendar year on dates selected by the
24 association and approved by the commission.

25 Revised Law

26 Sec. 2026.106. WAIVER OR DEFERRAL OF CERTAIN STANDARDS FOR
27 CLASS 4 RACETRACK. (a) In considering an application for a class 4
28 racetrack license, except as provided by Subsection (b), the
29 commission may waive or defer compliance with the commission's
30 standards regarding the physical facilities or operations of a
31 horse racetrack.

32 (b) The commission may not waive or defer compliance with
33 standards that relate to the testing of horses or license holders
34 for the presence of a prohibited substance, including a prohibited
35 drug or chemical.

36 (c) If the commission defers compliance, the commission
37 shall, when granting the application, establish a schedule under
38 which the license holder must comply with the standards. (V.A.C.S.
39 Art. 179e, Sec. 6.04(d).)

1 Source Law

2 (d) In considering an application for a class 4
3 racetrack license, the commission may waive or defer
4 compliance with the commission's standards regarding
5 the physical facilities or operations of a horse
6 racetrack. The commission may not waive or defer
7 compliance with standards that relate to the testing
8 of horses or licensees for the presence of a prohibited
9 drug, chemical, or other substance. If the commission
10 defers compliance, the commission shall, when granting
11 the application, establish a schedule under which the
12 licensee must comply with the standards.

13 Revised Law

14 Sec. 2026.107. CALCULATION OF LIVE AND SIMULCAST RACE
15 DATES. (a) For purposes of this subchapter, live race dates are
16 counted separately from the dates on which the racetrack
17 association presents simulcast races.

18 (b) The number of race dates allowed under this subchapter
19 relates only to live race dates. A racetrack may present simulcast
20 races on other dates as approved by the commission. (V.A.C.S. Art.
21 179e, Secs. 6.02(e), (f).)

22 Source Law

23 (e) For purposes of this section live race dates
24 are counted separately from the dates on which the
25 association presents simulcast races.

26 (f) The number of race dates allowed under this
27 section relates only to live race dates. A racetrack
28 may present simulcast races on other dates as approved
29 by the commission.

30 SUBCHAPTER D. CONCESSION, MANAGEMENT, OR TOTALISATOR CONTRACTS;
31 SECURITY PLANS

32 Revised Law

33 Sec. 2026.151. COMMISSION APPROVAL REQUIRED. (a) All
34 concession, management, and totalisator contracts submitted by an
35 applicant under Section 2025.054 must have the prior approval of
36 the commission.

37 (b) The commission shall refuse to approve a concession or
38 management contract if, in the sole discretion of the commission,
39 the background checks conducted under Section 2025.056 reveal
40 anything that might be detrimental to the public interest or the
41 racing industry. (V.A.C.S. Art. 179e, Secs. 6.03(a) (part), 6.031
42 (part).)

1 Source Law

2 Sec. 6.03. (a) . . .
3 (11) . . . all management, concession, and
4 totalisator contracts must have prior approval of the
5 commission; . . .

6 Sec. 6.031. The commission . . . shall refuse
7 to . . . approve a concession or management contract
8 if, in the sole discretion of the commission, the
9 background checks reveal anything which might be
10 detrimental to the public interest or the racing
11 industry. . . .

12 Revisor's Note

13 The provisions of Section 6.03(a), V.A.C.S.
14 Article 179e, that govern the submission of
15 concession, management, and totalisator contracts are
16 revised in this subtitle as Section 2025.054. The
17 provisions of Section 6.03(a)(11) that refer to prior
18 approval of those contracts are revised in this
19 subtitle as Section 2026.151. The revised law adds a
20 reference to Section 2025.054 for the convenience of
21 the reader and to clarify that the prior approval
22 discussed in this section refers to the contracts
23 submitted under Section 2025.054.

24 Revised Law

25 Sec. 2026.152. COMMISSION REVIEW OF SECURITY PLANS AND
26 CERTAIN CONTRACTS. (a) On receipt of a plan for the security of a
27 racetrack, or a copy of a concession, management, or totalisator
28 contract for review under Section 2026.151, the commission shall
29 review the security plan or contract in an executive session.
30 Documents submitted by an applicant to the commission under this
31 section or Section 2025.052 or 2025.054 are subject to discovery in
32 a suit brought under this subtitle but are not public records and
33 are not subject to Chapter 552, Government Code.

34 (b) In reviewing and approving contracts under Subsection
35 (a), the commission shall attempt to ensure the involvement of
36 minority-owned businesses whenever possible. (V.A.C.S. Art. 179e,
37 Sec. 6.03(b).)

1 (3) prohibit a racetrack association from accepting a
2 wager made by telephone; and

3 (4) prohibit a racetrack association from accepting a
4 wager made on credit.

5 (c) Commission rules adopted under this subtitle must be
6 written and updated to ensure maximum enforceability. (V.A.C.S.
7 Art. 179e, Secs. 11.01(a) (part), (b), 11.04(a) (part), (b), (c)
8 (part).)

9 Source Law

10 Sec. 11.01. (a) The commission shall adopt
11 rules to regulate wagering on greyhound races and
12 horse races under the system known as pari-mutuel
13 wagering. . . .

14 (b) The commission's rules adopted under this
15 section and this Act shall be written and updated to
16 ensure their maximum enforceability within existing
17 constitutional guidelines.

18 Sec. 11.04. (a) . . . The commission shall
19 adopt rules to prohibit wagering by employees of the
20 commission and to regulate wagering by persons
21 licensed under this Act.

22 (b) The commission shall adopt rules
23 prohibiting an association from accepting wagers by
24 telephone.

25 (c) The commission shall adopt rules
26 prohibiting an association from accepting a wager made
27 on credit and

28 Revisor's Note

29 (1) Section 11.01(b), V.A.C.S. Article 179e,
30 requires the commission to update its rules "within
31 existing constitutional guidelines." The revised law
32 omits the quoted language as unnecessary because state
33 agency rules must comply with applicable law,
34 including the United States Constitution and the Texas
35 Constitution.

36 (2) Sections 11.04(b) and (c), V.A.C.S. Article
37 179e, refer to an "association," meaning the term
38 defined by Section 1.03(2), V.A.C.S. Article 179e,
39 revised in this subtitle as Section 2021.003(42).
40 Throughout this chapter, the revised law substitutes
41 "racetrack association" for "association," "racing

1 association," and "licensed racetrack association" to
2 conform to that definition and for the reasons stated
3 in Revisor's Note (20) to Section 2021.003.

4 Revised Law

5 Sec. 2027.002. WAGERING RESTRICTIONS. (a) Wagering may be
6 conducted only by a racetrack association within the racetrack
7 association's enclosure.

8 (b) A person may not accept, in person, by telephone, or
9 over the Internet, a wager for a horse or greyhound race conducted
10 inside or outside this state from a person in this state unless the
11 wager is authorized under this subtitle.

12 (c) Only a person inside an enclosure where both live and
13 simulcast race meetings are authorized may wager on the result of a
14 live or simulcast race presented by a racetrack association in
15 accordance with commission rules.

16 (d) Except as provided by Subsection (c), a person may not
17 place, in person, by telephone, or over the Internet, a wager for a
18 horse or greyhound race conducted inside or outside this state.
19 (V.A.C.S. Art. 179e, Secs. 11.01(a) (part), 11.04(a) (part).)

20 Source Law

21 Sec. 11.01. (a) . . . Wagering may be
22 conducted only by an association within its
23 enclosure. A person may not accept, in person, by
24 telephone, or over the Internet, a wager for a horse
25 race or greyhound race conducted inside or outside
26 this state from a person in this state unless the wager
27 is authorized under this Act.

28 Sec. 11.04. (a) Only a person inside the
29 enclosure where both live and simulcast race meetings
30 are authorized may wager on the result of a live or
31 simulcast race presented by the association in
32 accordance with commission rules. Except as provided
33 by this section, a person may not place, in person, by
34 telephone, or over the Internet, a wager for a horse
35 race or greyhound race conducted inside or outside
36 this state. . . .

37 Revised Law

38 Sec. 2027.003. WAGERING COMPUTATION EQUIPMENT. (a)
39 Wagering authorized under this chapter may be calculated only by
40 state-of-the-art computational equipment approved by the
41 commission.

1 (b) The commission may not require the use of a particular
2 make of equipment. (V.A.C.S. Art. 179e, Sec. 11.02.)

3 Source Law

4 Sec. 11.02. The wagering may be calculated only
5 by state-of-the-art computational equipment that is
6 approved by the commission. The commission may not
7 require the use of a particular make of equipment.

8 Revised Law

9 Sec. 2027.004. AUTOMATED TELLER MACHINES: RULES,
10 LIMITATIONS, AND FEES. (a) The commission shall:

11 (1) adopt rules providing for the use of automated
12 teller machines in an enclosure; and

13 (2) limit the use of automated teller machines by
14 allowing a person access only to the person's checking account at a
15 bank or other financial institution.

16 (b) A racetrack association that allows an automated teller
17 machine in an enclosure as provided by Subsection (a) shall collect
18 a fee of \$1 for each transaction authorized under that subsection
19 and forward the fee to the commission.

20 (c) The commission shall:

21 (1) adopt rules providing for collection, reporting,
22 and auditing of the transaction fee authorized under Subsection
23 (b); and

24 (2) deposit the fee collected under Subsection (b) to
25 the credit of the general revenue fund. (V.A.C.S. Art. 179e, Secs.
26 11.04(c) (part), (e).)

27 Source Law

28 (c) The commission . . . shall adopt rules
29 providing for the use of automatic banking machines
30 within the enclosure. The commission shall limit the
31 use of an automatic banking machine to allow a person
32 to have access to only the person's checking account at
33 a bank or other financial institution.

34 (e) An association that allows a machine in an
35 enclosure as provided by Subsection (c) shall collect
36 a fee of \$1 for each transaction under Subsection (c).
37 The commission shall adopt rules providing for
38 collection, reporting, and auditing of the transaction
39 fee. The association shall forward the fee to the
40 commission. The commission shall deposit the fee to
41 the credit of the general revenue fund.

1 Revisor's Note

2 Section 11.04(c), V.A.C.S. Article 179e, refers
3 to an "automatic banking machine." The revised law
4 substitutes "automated teller machine" for "automatic
5 banking machine" because, in context, the terms are
6 synonymous and the former is more commonly used.

7 Revised Law

8 Sec. 2027.005. TICKET INFORMATION RULES. The commission by
9 rule shall prescribe the information to be printed on each
10 pari-mutuel ticket. (V.A.C.S. Art. 179e, Sec. 11.03.)

11 Source Law

12 Sec. 11.03. The commission shall by rule
13 prescribe the information to be printed on each
14 pari-mutuel ticket.

15 Revised Law

16 Sec. 2027.006. CLAIM AFTER RACE MEETING. (a) A person who
17 claims to be entitled to any part of a distribution from a
18 pari-mutuel pool may, not later than the first anniversary of the
19 day the ticket was purchased, file with the appropriate racetrack
20 association a claim for the money accompanied by a substantial
21 portion of the pari-mutuel ticket sufficient to identify the
22 racetrack association, race, horse or greyhound involved, amount
23 wagered, and type of ticket.

24 (b) A person who claims to be entitled to money from a
25 pari-mutuel voucher may before the first anniversary of the day the
26 voucher was issued file with the appropriate racetrack association
27 a claim for the money accompanied by a substantial portion of the
28 pari-mutuel voucher sufficient to identify the racetrack
29 association, serial number, date issued, and amount of the voucher.

30 (c) If the claimant satisfactorily establishes a right to
31 distribution from a pari-mutuel pool, the racetrack association
32 shall pay the amount due the claimant.

33 (d) If the racetrack association refuses to pay a claimant
34 who has established satisfactorily a right to distribution from a
35 pari-mutuel pool, the claimant may appeal to the commission under

1 procedures prescribed by commission rule. (V.A.C.S. Art. 179e, Sec.
2 11.07.)

3 Source Law

4 Sec. 11.07. (a) A person who claims to be
5 entitled to any part of a distribution from a
6 pari-mutuel pool may, not later than the first
7 anniversary of the day the ticket was purchased, file
8 with the association a claim for the money together
9 with a substantial portion of the pari-mutuel ticket
10 sufficient to identify the association, race, and
11 horse or greyhound involved and sufficient to show the
12 amount wagered and the type of ticket.

13 (a-1) A person who claims to be entitled to
14 money from a pari-mutuel voucher may before the first
15 anniversary of the day the voucher was issued file with
16 the association a claim for the money together with a
17 substantial portion of the pari-mutuel voucher
18 sufficient to identify the association, the serial
19 number, the date issued, and the amount of the voucher.

20 (b) If the claimant satisfactorily establishes
21 a right to distribution from the pool, the association
22 shall pay the amount due the claimant. If the
23 association refuses to pay a claimant who has
24 established satisfactorily a right to distribution
25 from the pool, the claimant may appeal to the
26 commission under procedures prescribed by commission
27 rule.

28 SUBCHAPTER B. SIMULCAST WAGERING

29 Revised Law

30 Sec. 2027.051. SIMULCAST WAGERING RULES. The commission
31 shall adopt rules to license and regulate pari-mutuel wagering on:

32 (1) races conducted in this state and simulcast to
33 in-state racetrack associations or out-of-state receiving
34 locations; and

35 (2) races conducted out-of-state and simulcast to
36 in-state racetrack associations. (V.A.C.S. Art. 179e, Sec.
37 11.011(a).)

38 Source Law

39 Sec. 11.011. (a) The commission shall adopt
40 rules to license and regulate pari-mutuel wagering on:

41 (1) races conducted in this state and
42 simulcast to licensed racetrack associations in this
43 state or to out-of-state receiving locations; and

44 (2) races conducted out-of-state and
45 simulcast to licensed racetrack associations in this
46 state.

47 Revised Law

48 Sec. 2027.052. CONSTRUCTION OF LAWS RELATED TO SIMULCAST
49 RACES. (a) This subtitle may not be construed to allow wagering in

1 this state on simulcast races at any location other than a racetrack
2 licensed under this subtitle that has been granted live race dates
3 by the commission.

4 (b) This subtitle may not be construed to prohibit wagering
5 on:

6 (1) a simulcast horse race at a greyhound racetrack in
7 this state; or

8 (2) a simulcast greyhound race at a horse racetrack in
9 this state. (V.A.C.S. Art. 179e, Secs. 11.011(f), (g) (part).)

10 Source Law

11 (f) Nothing in this Act is to be construed to
12 allow wagering in Texas on simulcast races at any
13 location other than a racetrack licensed under this
14 Act that has been granted live race dates by the
15 commission.

16 (g) Nothing in this Act is to be construed to
17 prohibit wagering on a simulcast horse race at a
18 greyhound racetrack in this state, or to prohibit
19 wagering on a simulcast greyhound race at a horse
20 racetrack in this state. . . .

21 Revised Law

22 Sec. 2027.053. COMMISSION APPROVAL REQUIRED FOR
23 PARI-MUTUEL POOL INCLUSION. (a) With commission approval:

24 (1) wagers accepted on a simulcast race by any
25 out-of-state receiving location may be included in the pari-mutuel
26 pool for the race at the sending in-state racetrack association;
27 and

28 (2) wagers accepted by an in-state racetrack
29 association on a race simulcast from out-of-state may be included
30 in the pari-mutuel pools for the race at the out-of-state sending
31 track.

32 (b) The commission may adopt rules necessary to facilitate
33 the interstate commingling of pari-mutuel pools as provided by
34 Subsection (a).

35 (c) The racetrack where the wager is made is responsible for
36 reporting and remitting this state's share of the pari-mutuel pool.
37 (V.A.C.S. Art. 179e, Secs. 11.011(b), (c), (d), (e).)

1 Source Law

2 (b) With approval of the commission, wagers
3 accepted on a simulcast race by any out-of-state
4 receiving location may be included in the pari-mutuel
5 pool for the race at the sending racetrack association
6 in this state.

7 (c) With approval of the commission, wagers
8 accepted by a licensed racetrack association in this
9 state on a race simulcast from out-of-state may be
10 included in the pari-mutuel pools for the race at the
11 out-of-state sending racetrack.

12 (d) The commission may adopt rules necessary to
13 facilitate the interstate commingling of pari-mutuel
14 pools as provided by Subsections (b) and (c) of this
15 section.

16 (e) The racetrack where the wager is made is
17 responsible for reporting and remitting the state's
18 share of the pari-mutuel pool.

19 Revisor's Note

20 Section 11.011(c), V.A.C.S. Article 179e, refers
21 to the "sending racetrack." The revised law
22 substitutes "sending track" for "sending racetrack"
23 for consistency in the terminology used in the revised
24 law and because, in context, the terms have the same
25 meaning and "sending track" is the defined term under
26 Section 1.03(66), V.A.C.S. Article 179e, revised in
27 this subtitle as Section 2021.003(45).

28 Revised Law

29 Sec. 2027.054. REQUIREMENTS AND LIMITATIONS ON SIMULCAST
30 RACES. (a) A horse racetrack may not be required to accept a
31 greyhound simulcast signal. A horse racetrack that offers wagering
32 on interstate greyhound simulcast races must offer wagering on all
33 Texas greyhound races made available for simulcast wagering.

34 (b) A greyhound racetrack may not be required to accept a
35 horse simulcast signal. A greyhound racetrack that offers wagering
36 on interstate horse simulcast races must offer wagering on all
37 Texas horse races made available for simulcast wagering.

38 (c) The commission may not approve wagering on an interstate
39 simulcast race unless the receiving location consents to wagering
40 on interstate simulcast races at all other receiving locations in
41 this state. (V.A.C.S. Art. 179e, Secs. 11.011(g) (part), (j), (m).)

1 agreement between the racetracks. (V.A.C.S. Art. 179e, Secs.
2 11.011(h), (i), (k).)

3 Source Law

4 (h) Except as provided by this section, a horse
5 racetrack facility that offers wagering on interstate
6 greyhound race simulcast signals must do so as
7 provided by a contract with the nearest greyhound
8 racetrack. If an agreement between the racetracks
9 cannot be reached by October 1 of the year preceding
10 the calendar year in which the simulcasting is to
11 occur, the horse racetrack may purchase and offer
12 wagering on greyhound race simulcast signals and shall
13 pay the amounts specified under Section 6.091(d)(1) of
14 this Act to the nearest greyhound racetrack.

15 (i) Except as provided by this section, a
16 greyhound racetrack facility that offers wagering on
17 interstate horse race simulcast signals must do so as
18 provided by a contract with the nearest Class 1 horse
19 racetrack. If an agreement between the racetracks
20 cannot be reached by October 1 of the year preceding
21 the calendar year in which the simulcasting is to
22 occur, the greyhound racetrack may purchase and offer
23 wagering on interstate horse race simulcast signals
24 and shall pay the amounts specified in Section
25 6.091(c)(1) of this Act to the nearest Class 1 horse
26 racetrack.

27 (k) Wagering on a simulcast greyhound race at a
28 horse racetrack that conducts its inaugural meet
29 within 12 months of September 1, 1997, or at an
30 operational horse racetrack within 60 miles of such
31 racetrack may be conducted only pursuant to an
32 agreement between said racetracks.

33 Revisor's Note

34 Sections 11.011(h) and (i), V.A.C.S. Article
35 179e, refer to a horse or greyhound "racetrack
36 facility" and a horse or greyhound "racetrack." The
37 revised law substitutes "racetrack" for "racetrack
38 facility" for the reasons stated in Revisor's Note (19)
39 to Section 2021.003, Occupations Code.

40 Revised Law

41 Sec. 2027.056. SIMULCAST CONTRACT TERMS AND ARBITRATION.
42 (a) Notwithstanding any other provisions of law, a greyhound
43 racetrack association and the state greyhound breed registry shall
44 by contract agree that each simulcast contract to which the
45 greyhound racetrack association is a party, including a simulcast
46 contract with a horse racetrack association or with another
47 greyhound racetrack association, include terms that provide

1 adequately for:

2 (1) the development of greyhound racing, breeding, and
3 purses; and

4 (2) any actual or potential loss of live racing handle
5 based on the racetrack association's historical live racing
6 schedule and handle in this state.

7 (b) If a greyhound racetrack association and the state
8 greyhound breed registry fail to reach an agreement under
9 Subsection (a), the racetrack association or the breed registry may
10 submit the contract negotiations for binding arbitration under
11 Chapter 171, Civil Practice and Remedies Code, and commission
12 rules.

13 (c) The arbitration must be conducted by a board of three
14 arbitrators as follows:

15 (1) one arbitrator appointed by the greyhound
16 racetrack association;

17 (2) one arbitrator appointed by the state greyhound
18 breed registry; and

19 (3) one arbitrator appointed by the arbitrators
20 appointed under Subdivisions (1) and (2).

21 (d) A greyhound racetrack association and the state
22 greyhound breed registry shall each pay its own arbitration
23 expenses. The greyhound racetrack association and the state
24 greyhound breed registry shall equally pay the arbitrator fees and
25 costs. (V.A.C.S. Art. 179e, Sec. 11.011(1) (part).)

26 Source Law

27 (1) Notwithstanding other provisions of law, a
28 greyhound racing association and the state greyhound
29 breed registry shall by contract agree that each
30 simulcast contract to which the greyhound racing
31 association is a party, including a simulcast contract
32 with a horse racing association or a simulcast
33 contract with another greyhound racing association,
34 include terms that provide adequately for the
35 development of greyhound racing, breeding, purses, and
36 any actual or potential loss of live racing handle
37 based on the association's historical live racing
38 schedule and handle in this state. If a greyhound
39 racing association and the state greyhound breed
40 registry fail to reach an agreement, the racing
41 association or the breed registry may submit the

1 contract negotiations for binding arbitration under
2 Chapter 171, Civil Practice and Remedies Code, and
3 rules adopted by the commission. The arbitration must
4 be conducted by a board of three arbitrators. The
5 greyhound racing association shall appoint one
6 arbitrator. The state greyhound breed registry shall
7 appoint one arbitrator. The arbitrators appointed by
8 the greyhound racing association and the state
9 greyhound breed registry shall appoint the third
10 arbitrator. A greyhound racing association and the
11 state greyhound breed registry shall each pay its own
12 arbitration expenses. The greyhound racing
13 association and the state greyhound breed registry
14 shall equally pay the arbitrator fees and costs. . . .

15 Revisor's Note

16 Section 11.011(1), V.A.C.S. Article 179e,
17 requires a greyhound racing association and the state
18 greyhound breed registry by contract to ensure that
19 each simulcast contract between the greyhound racing
20 association and another racing association include
21 certain terms. That subsection also requires
22 negotiations for a contract between a greyhound racing
23 association and the state greyhound breed registry to
24 be submitted to arbitration if the greyhound racing
25 association and the state greyhound breed registry
26 cannot agree to a contract. The final sentence of that
27 subsection provides that the subsection does not apply
28 to "a contract" in effect before September 2, 1997.
29 From the context, it is clear that the contract
30 referred to is a simulcast contract between two racing
31 associations. The revised law omits this provision as
32 obsolete. It is safe to assume that the term of any
33 contract for simulcasting of horse races or greyhound
34 races that was in effect before September 2, 1997, has
35 long since expired. The omitted law reads:

36 (1) . . . This subsection does not
37 apply to a contract that was in effect
38 before September 2, 1997.

39 SUBCHAPTER C. WAGERING PROHIBITIONS

40 Revised Law

41 Sec. 2027.101. RULES PROHIBITING WAGERING BY MINOR AND
42 VIEWING BY UNACCOMPANIED CHILD. (a) The commission shall adopt

1 rules to prohibit:

2 (1) wagering by a minor; and

3 (2) a child from entering the viewing section of a
4 racetrack unless accompanied by the child's parent or guardian.

5 (b) The rules adopted under Subsection (a) may except any
6 conduct described as an affirmative defense by Section 2033.017.
7 (V.A.C.S. Art. 179e, Sec. 11.06.)

8 Source Law

9 Sec. 11.06. The commission shall adopt rules to
10 prohibit wagering by a minor and to prohibit a child
11 from entering the viewing section of a racetrack
12 unless accompanied by the child's parent or guardian.
13 The rules may except any conduct described as an
14 affirmative defense by Section 14.13 of this Act.

15 Revised Law

16 Sec. 2027.102. UNLAWFUL WAGERING. (a) A person may not
17 wager on the result of a horse or greyhound race in this state
18 except as authorized by this subtitle.

19 (b) A person other than a racetrack association may not
20 accept from a Texas resident while the resident is in this state a
21 wager on the result of a horse or greyhound race conducted inside or
22 outside this state. (V.A.C.S. Art. 179e, Sec. 11.05.)

23 Source Law

24 Sec. 11.05. A person shall not wager on the
25 result of a greyhound race or horse race in this state
26 except as permitted by this Act. A person who is not
27 an association under this Act may not accept from a
28 Texas resident while the resident is in this state a
29 wager on the result of a greyhound race or horse race
30 conducted inside or outside this state.

31 Revisor's Note
32 (End of Chapter)

33 Section 11.09, V.A.C.S. Article 179e, provides
34 that the defense to prosecution under Chapter 47,
35 Penal Code, for conduct authorized under the Texas
36 Racing Act is only available to persons lawfully
37 conducting or participating in the conduct of
38 pari-mutuel wagering on horse racing or greyhound
39 racing or permitting the lawful conduct of that
40 activity at a racetrack. The revised law omits the

1 provision as unnecessary because it duplicates in
 2 substance Section 47.09(a), Penal Code, which provides
 3 a defense to prosecution under Chapter 47, Penal Code,
 4 for conduct authorized under the Texas Racing Act
 5 (Article 179e, Vernon's Texas Civil Statutes), revised
 6 as this subtitle. The omitted law reads:

7 Sec. 11.09. The defense to
 8 prosecution under Chapter 47, Penal Code,
 9 that the conduct was authorized under this
 10 Act is available only to a person who is:
 11 (1) lawfully conducting or
 12 participating in the conduct of pari-mutuel
 13 wagering in connection with horse racing or
 14 greyhound racing; or
 15 (2) permitting the lawful
 16 conduct of an activity described by
 17 Subdivision (1) of this section on any
 18 racetrack facility.

19 CHAPTER 2028. PARI-MUTUEL POOLS, PURSES, AND FEES

20 SUBCHAPTER A. COMMISSION OVERSIGHT OF PARI-MUTUEL RACING FUNDS

21 Sec. 2028.001. ADOPTION OF REQUIREMENTS OR OTHER
 22 PERFORMANCE MEASURES 160
 23 Sec. 2028.002. INDEPENDENT AUDIT REPORT; RECORDS
 24 REVIEW 161
 25 Sec. 2028.003. SUSPENSION AND WITHHOLDING OF FUNDS 161

26 SUBCHAPTER B. GENERAL DEDUCTIONS FROM LIVE PARI-MUTUEL POOL

27 Sec. 2028.051. SET-ASIDE FROM LIVE PARI-MUTUEL POOL 162

28 SUBCHAPTER C. DISPOSITION OF HORSE PARI-MUTUEL POOLS AND OTHER
 29 AMOUNTS RELATED TO HORSE RACING

30 Sec. 2028.101. DEDUCTIONS FROM HORSE PARI-MUTUEL POOLS 166
 31 Sec. 2028.102. HORSE RACETRACK ASSOCIATION SET-ASIDES
 32 FOR PURSES; PURSE ACCOUNTS 167
 33 Sec. 2028.103. SET-ASIDE FOR TEXAS-BRED PROGRAM 169
 34 Sec. 2028.104. RACETRACK ASSOCIATION COMMISSION 171
 35 Sec. 2028.105. ALLOCATION OF BREAKAGE 172
 36 Sec. 2028.106. LIMITATION ON PURSE DEDUCTION 174
 37 Sec. 2028.107. LIMITATION ON INCENTIVES AWARDED TO
 38 CERTAIN HORSES 174

1 SUBCHAPTER D. DISPOSITION OF GREYHOUND PARI-MUTUEL POOLS AND OTHER
2 AMOUNTS RELATED TO GREYHOUND RACING

3 Sec. 2028.151. APPLICATION OF SUBCHAPTER 175
4 Sec. 2028.152. DISTRIBUTION OF PARI-MUTUEL POOL 175
5 Sec. 2028.153. STATE FEE 176
6 Sec. 2028.154. BREAKAGE 176
7 Sec. 2028.155. ALLOCATION OF PURSE IN GREYHOUND RACES 177

8 SUBCHAPTER E. DISTRIBUTION OF SIMULCAST PARI-MUTUEL POOLS

9 Sec. 2028.201. RULES 178
10 Sec. 2028.202. REQUIRED DISTRIBUTIONS 178
11 Sec. 2028.203. REIMBURSEMENT FOR SIMULCAST SIGNAL COST 182
12 Sec. 2028.204. ALLOCATION OF ESCROWED PURSES 182
13 Sec. 2028.205. ADDITIONAL ALLOCATIONS FOR CERTAIN
14 RACETRACKS 183
15 Sec. 2028.206. HOST FEE 185

16 SUBCHAPTER F. COUNTY AND MUNICIPAL FEES

17 Sec. 2028.251. ADMISSION FEES AUTHORIZED 186
18 Sec. 2028.252. ADDITIONAL FEES FOR CERTAIN COUNTIES 187
19 Sec. 2028.253. PROCEDURES FOR FEE COLLECTION 188
20 Sec. 2028.254. OTHER FEES AND TAXES PROHIBITED 188

21 CHAPTER 2028. PARI-MUTUEL POOLS, PURSES, AND FEES

22 SUBCHAPTER A. COMMISSION OVERSIGHT OF PARI-MUTUEL RACING FUNDS

23 Revised Law

24 Sec. 2028.001. ADOPTION OF REQUIREMENTS OR OTHER
25 PERFORMANCE MEASURES. (a) For any organization that receives
26 funds generated by live or simulcast pari-mutuel racing, the
27 commission shall adopt reporting, monitoring, and auditing
28 requirements or other appropriate performance measures for:

29 (1) any funds distributed to or used by the
30 organization; and

31 (2) any function or service provided by the
32 expenditure of the funds described by Subdivision (1).

33 (b) The commission shall adopt the requirements or
34 performance measures after consultation with the affected

1 organization. In adopting the rules, the commission shall consider
2 the concerns of the affected organization. (V.A.C.S. Art. 179e,
3 Secs. 6.092(a), (b).)

4 Source Law

5 Sec. 6.092. (a) The commission shall adopt
6 reporting, monitoring, and auditing requirements or
7 other appropriate performance measures for any funds
8 distributed to or used by or any function or service
9 provided by the expenditure of any funds distributed
10 to or used by any organization that receives funds
11 generated by live or simulcast pari-mutuel racing.

12 (b) The commission shall adopt the requirements
13 or performance measures after consultation with the
14 affected organization. In adopting the rules, the
15 commission shall give consideration to the concerns of
16 the affected organization.

17 Revised Law

18 Sec. 2028.002. INDEPENDENT AUDIT REPORT; RECORDS REVIEW.

19 (a) An organization that receives funds generated by live or
20 simulcast pari-mutuel racing shall annually file with the
21 commission a copy of an audit report prepared by an independent
22 certified public accountant. The audit must include a verification
23 of any performance report sent to or required by the commission.

24 (b) The commission may review any record or book of an
25 organization that submits an independent audit to the commission as
26 the commission determines necessary to confirm or further
27 investigate the findings of an audit or report. (V.A.C.S. Art.
28 179e, Secs. 6.092(c), (d).)

29 Source Law

30 (c) An organization receiving funds generated
31 by live or simulcast pari-mutuel racing shall annually
32 file with the commission a copy of an audit report
33 prepared by an independent certified public
34 accountant. The audit shall include a verification of
35 any performance report sent to or required by the
36 commission.

37 (d) The commission may review any records or
38 books of an organization that submits an independent
39 audit to the commission as the commission determines
40 necessary to confirm or further investigate the
41 findings of an audit or report.

42 Revised Law

43 Sec. 2028.003. SUSPENSION AND WITHHOLDING OF FUNDS. The
44 commission by rule may suspend or withhold funds from an
45 organization:

1 (1) that the commission determines has failed to
2 comply with the requirements or performance measures adopted under
3 Section 2028.001; or

4 (2) for which material questions on the use of funds by
5 the organization are raised following an independent audit or other
6 report to the commission. (V.A.C.S. Art. 179e, Sec. 6.092(e).)

7 Source Law

8 (e) The commission by rule may suspend or
9 withhold funds from an organization that:

10 (1) it determines has failed to comply
11 with the requirements or performance measures adopted
12 under Subsection (a) of this section; or

13 (2) has, following an independent audit or
14 other report to the commission, material questions
15 raised on the use of funds by the organization.

16 SUBCHAPTER B. GENERAL DEDUCTIONS FROM LIVE PARI-MUTUEL POOL

17 Revised Law

18 Sec. 2028.051. SET-ASIDE FROM LIVE PARI-MUTUEL POOL. A
19 horse or greyhound racetrack association shall set aside for this
20 state from each live pari-mutuel pool at the racetrack an amount
21 equal to:

22 (1) one percent of each live pari-mutuel pool from the
23 total amount of all of the racetrack association's live pari-mutuel
24 pools in a calendar year in excess of \$100 million but less than
25 \$200 million;

26 (2) two percent of each live pari-mutuel pool from the
27 total amount of all of the racetrack association's live pari-mutuel
28 pools in a calendar year in excess of \$200 million but less than
29 \$300 million;

30 (3) three percent of each live pari-mutuel pool from
31 the total amount of all of the racetrack association's live
32 pari-mutuel pools in a calendar year in excess of \$300 million but
33 less than \$400 million;

34 (4) four percent of each live pari-mutuel pool from
35 the total amount of all of the racetrack association's live
36 pari-mutuel pools in a calendar year in excess of \$400 million but
37 less than \$500 million; and

1 (5) five percent of each live pari-mutuel pool from
2 the total amount of all of the racetrack association's live
3 pari-mutuel pools in a calendar year in excess of \$500 million.
4 (V.A.C.S. Art. 179e, Sec. 6.093(b).)

5 Source Law

6 (b) On or after January 1, 1999, a horse or
7 greyhound racing association shall set aside for the
8 state from the live pari-mutuel pool at the
9 association:

10 (1) an amount equal to one percent of each
11 live pari-mutuel pool from the total amount of all live
12 pari-mutuel pools of the association in a calendar
13 year in excess of \$100 million but less than \$200
14 million;

15 (2) an amount equal to two percent of each
16 live pari-mutuel pool from the total amount of all live
17 pari-mutuel pools of the association in a calendar
18 year in excess of \$200 million but less than \$300
19 million;

20 (3) an amount equal to three percent of
21 each live pari-mutuel pool from the total amount of all
22 live pari-mutuel pools of the association in a
23 calendar year in excess of \$300 million but less than
24 \$400 million;

25 (4) an amount equal to four percent of each
26 live pari-mutuel pool from the total amount of all live
27 pari-mutuel pools of the association in a calendar
28 year in excess of \$400 million but less than \$500
29 million; and

30 (5) an amount equal to five percent of each
31 live pari-mutuel pool from the total amount of all live
32 pari-mutuel pools of the association in a calendar
33 year in excess of \$500 million.

34 Revisor's Note

35 (1) Section 6.093(b), V.A.C.S. Article 179e,
36 refers to set-aside requirements imposed "[o]n or
37 after January 1, 1999," to distinguish the method for
38 calculating the state's share of pari-mutuel wagering
39 under Section 6.093(b) from the method of calculating
40 the state's share used before January 1, 1999. The
41 revised law omits the quoted language as unnecessary
42 because all provisions relating to the method of
43 calculating the state's share used before January 1,
44 1999, are omitted from this chapter and the
45 distinction is no longer necessary.

46 (2) Section 6.093(b), V.A.C.S. Article 179e,
47 refers to a horse or greyhound "racing association,"

1 meaning the term defined by Section 1.03(2), V.A.C.S.
2 Article 179e, revised in this subtitle as Section
3 2021.003(42). Throughout this chapter, the revised
4 law substitutes "racetrack association" for "racing
5 association" or "association" for the reasons stated
6 in Revisor's Note (20) to Section 2021.003.

7 (3) Section 6.093(b), V.A.C.S. Article 179e,
8 directs a racetrack association to set aside certain
9 amounts from the live pari-mutuel pool at the
10 "association." Section 1.03(25), V.A.C.S. Article
11 179e, revised in this subtitle as Section
12 2021.003(41), defines "racetrack" as a facility that
13 is licensed to conduct pari-mutuel wagering on horse
14 racing or greyhound racing. Section 1.03(2), V.A.C.S.
15 Article 179e, revised in this subtitle as Section
16 2021.003(42), defines "racetrack association" for
17 purposes of the law revised in this subtitle as a
18 person licensed to "conduct a horse race meeting or a
19 greyhound race meeting with pari-mutuel wagering."
20 The revised law substitutes "racetrack" for
21 "association" because it is clear from the context
22 that the reference applies to a facility and not to a
23 person.

24 Revisor's Note
25 (End of Subchapter)

26 Section 6.093(a), V.A.C.S. Article 179e,
27 provides the method for calculating the state's share
28 of pari-mutuel wagering in use before January 1, 1999.
29 The revised law omits that provision because that date
30 has passed and any action required under that
31 provision must already have taken place. Section
32 6.093(b), V.A.C.S. Article 179e, revised in this
33 chapter as Section 2028.051, provides the method now
34 in use for calculating the state's share of pari-mutuel

1 wagering. The omitted law reads:

2 Sec. 6.093. (a)(1) A horse racing
3 association, until January 1, 1999, shall
4 set aside for the state:

5 (A) an amount equal to one
6 percent of each live pari-mutuel pool from
7 the first \$100 million of the total amount
8 of all live pari-mutuel pools of the
9 association in a calendar year;

10 (B) an amount equal to two
11 percent of each live pari-mutuel pool from
12 the next \$100 million of the total amount of
13 all live pari-mutuel pools of the
14 association in a calendar year;

15 (C) an amount equal to three
16 percent of the next \$100 million of the
17 total amount of all live pari-mutuel pools
18 of the association in a calendar year;

19 (D) an amount equal to four
20 percent of the next \$100 million of the
21 total amount of all live pari-mutuel pools
22 of the association in a calendar year; and

23 (E) an amount equal to five
24 percent of each live pari-mutuel pool from
25 the amount of all live pari-mutuel pools of
26 the association in a calendar year not
27 covered by Paragraphs (A) through (D) of
28 this subdivision.

29 (2) A greyhound racing association,
30 until January 1, 1999, shall set aside for
31 the state:

32 (A) an amount equal to two
33 percent of each live pari-mutuel pool from
34 the first \$100 million of the total amount
35 of all live pari-mutuel pools of the
36 association in a calendar year;

37 (B) an amount equal to three
38 percent of each live pari-mutuel pool from
39 the next \$100 million of the total amount of
40 all live pari-mutuel pools of the
41 association in a calendar year;

42 (C) an amount equal to four
43 percent of each live pari-mutuel pool from
44 the next \$100 million of the total amount of
45 all live pari-mutuel pools of the
46 association in a calendar year;

47 (D) an amount equal to five
48 percent of each live pari-mutuel pool from
49 the total amount of all live pari-mutuel
50 pools of the association in a calendar year
51 not covered by Paragraphs (A) through (C)
52 of this subdivision; and

53 (E) 50 percent of the breakage.

54 (3) All amounts set aside by the
55 association for the state in Subdivisions
56 (1) and (2) of this subsection shall be
57 applied to the reimbursement of all amounts
58 of general revenue appropriated for the
59 administration and enforcement of this Act
60 in excess of the cumulative amount
61 deposited to the Texas Racing Commission
62 fund until the earlier of:

63 (A) the excesses together with
64 interest thereon are reimbursed in full; or

65 (B) January 1, 1999.

1 SUBCHAPTER C. DISPOSITION OF HORSE PARI-MUTUEL POOLS AND OTHER
2 AMOUNTS RELATED TO HORSE RACING

3 Revised Law

4 Sec. 2028.101. DEDUCTIONS FROM HORSE PARI-MUTUEL POOLS.

5 (a) A horse racetrack association shall deduct an amount from each
6 pari-mutuel pool to be distributed as provided by Sections
7 2028.102, 2028.103, and 2028.104.

8 (b) The total maximum deduction under Subsection (a) is:

9 (1) 18 percent from a regular wagering pool;

10 (2) 21 percent from a multiple two wagering pool; and

11 (3) 25 percent from a multiple three wagering pool.

12 (V.A.C.S. Art. 179e, Sec. 6.08(a).)

13 Source Law

14 Sec. 6.08. (a) An amount shall be deducted from
15 each wagering pool to be distributed as provided by
16 Subsections (b) through (e) of this section. The
17 total maximum deduction from a regular wagering pool
18 is 18 percent. The total maximum deduction from a
19 multiple two wagering pool is 21 percent. The total
20 maximum deduction from a multiple three wagering pool
21 is 25 percent.

22 Revisor's Note

23 (1) Section 6.08, V.A.C.S. Article 179e,
24 revised as Subchapter C of this chapter, directs "a
25 horse racing association" and an "association" to set
26 aside, transfer, or deposit money for various
27 purposes. While Section 6.08(a) does not reference a
28 "racetrack association," it is clear from the other
29 subsections of Section 6.08 that a "racetrack
30 association" is the person performing the action under
31 Subsection (a). It is also clear in context that the
32 racetrack associations deducting amounts in Section
33 6.08 are limited to horse racetrack associations
34 rather than the broader "racetrack association"
35 referenced in Revisor's Note (2) to Section 2028.051.
36 For the convenience of the reader, the revised law adds
37 a reference to a "horse racetrack association" in this

1 section and, throughout Subchapter C of this chapter,
2 substitutes "horse racetrack association" for "horse
3 racing association" and "association."

4 (2) Section 6.08(a), V.A.C.S. Article 179e,
5 directs that an amount be deducted "from each wagering
6 pool" for distribution. The revised law substitutes
7 "pari-mutuel pool" for "wagering pool" because
8 "pari-mutuel pool" is the defined term under Section
9 1.03(19), V.A.C.S. Article 179e, revised in this
10 subtitle as Section 2021.003(32).

11 Revised Law

12 Sec. 2028.102. HORSE RACETRACK ASSOCIATION SET-ASIDES FOR
13 PURSES; PURSE ACCOUNTS. (a) A horse racetrack association shall
14 set aside for purses an amount not less than:

15 (1) for live pari-mutuel pools:

16 (A) seven percent of a live regular wagering pool
17 or live multiple two wagering pool; and

18 (B) 8.5 percent of a live multiple three wagering
19 pool; and

20 (2) for simulcast pari-mutuel pools from the takeout
21 of the sending track:

22 (A) 38.8 percent of the regular wagering pool;

23 (B) 33.3 percent of the multiple two wagering
24 pool; and

25 (C) 34 percent of the multiple three wagering
26 pool.

27 (b) If the cost of the simulcast signal exceeds five percent
28 of the simulcast handle, the receiving horse racetrack association
29 shall split the cost of the signal in excess of five percent evenly
30 with the horsemen's organization by allocating that cost against
31 the purse money derived from that simulcast signal.

32 (c) The horse racetrack association shall:

33 (1) transfer the amount set aside for purses from any
34 live and simulcast pool; and

1 (A) to an owner whose horse won a
2 purse;

3 (B) to the horsemen's organization
4 for its expenses; or

5 (C) for other disbursements as
6 provided by contract between the horsemen's
7 organization and the association.

8 (4) An association, after January 1, 1999,
9 may pay a portion of the revenue set aside under this
10 subsection to an organization recognized under Section
11 3.13 of this Act, as provided by a contract approved by
12 the commission.

13 Revisor's Note

14 (1) Section 6.08(b), V.A.C.S. Article 179e,
15 refers to set-aside requirements and the use of money
16 set aside under that section "after January 1, 1999."
17 The revised law omits the quoted language because that
18 date has passed, and it is no longer necessary to
19 distinguish between set-aside requirements existing
20 before or after that date.

21 (2) Section 6.08(b), V.A.C.S. Article 179e,
22 refers to a "sending racetrack." The revised law
23 substitutes "sending track" for "sending racetrack"
24 for consistency in the terminology used in the revised
25 chapter because, in context, the terms have the same
26 meaning and "sending track" is the defined term under
27 Section 1.03(66), V.A.C.S. Article 179e, revised in
28 this subtitle as Section 2021.003(45).

29 Revised Law

30 Sec. 2028.103. SET-ASIDE FOR TEXAS-BRED PROGRAM. (a) A
31 horse racetrack association shall set aside for the Texas-bred
32 program an amount equal to one percent of a live multiple two
33 wagering pool and a live multiple three wagering pool. From the
34 set-aside amounts:

35 (1) two percent shall be set aside for purposes of
36 Subchapter F, Chapter 88, Education Code; and

37 (2) the remaining amount shall be allocated as
38 follows:

39 (A) 10 percent may be used by the appropriate
40 state horse breed registry for administration; and

1 (B) the remainder shall be used for awards.

2 (b) The amount set aside under Subsection (a) is in addition
3 to any money received from the breakage.

4 (c) The commission shall adopt rules relating to the
5 accounting, auditing, and distribution of all amounts set aside for
6 the Texas-bred program under this subchapter. (V.A.C.S. Art. 179e,
7 Secs. 6.08(d), (f), (g).)

8 Source Law

9 (d) A horse racing association shall set aside
10 for the Texas-bred program as provided by Subsection
11 (f) of this section an amount equal to one percent of a
12 live multiple two wagering pool and a live multiple
13 three wagering pool.

14 (f) The amount of a multiple two wagering pool
15 or a multiple three wagering pool set aside under
16 Subsection (d) of this section for the Texas-bred
17 program is in addition to any money received from the
18 breakage. Of the amount set aside under Subsection (d)
19 of this section, two percent shall be set aside for
20 deposit in the equine research account under
21 Subchapter F, Chapter 88, Education Code, and, of the
22 remaining 98 percent, 10 percent may be used by the
23 appropriate breed registry for administration and the
24 remaining 90 percent shall be used for awards.

25 (g) The commission shall adopt rules relating to
26 the accounting, audit, and distribution of all amounts
27 set aside for the Texas-bred program under this
28 section.

29 Revisor's Note

30 (1) Section 6.08(f), V.A.C.S. Article 179e,
31 provides that of a certain amount set aside from live
32 multiple two wagering pools and live multiple three
33 wagering pools, two percent shall be set aside "for
34 deposit in the equine research account under
35 Subchapter F, Chapter 88, Education Code." The revised
36 law substitutes "for purposes of Subchapter F, Chapter
37 88, Education Code" for the quoted language because,
38 despite the enactment of Section 88.522, Education
39 Code, by Section 73, Chapter 386, Acts of the 72nd
40 Legislature, Regular Session, 1991, providing for the
41 creation of the account, and despite the amendment of
42 that section by Section 1, Chapter 110, Acts of the
43 74th Legislature, Regular Session, 1995, and by

1 Section 22, Chapter 522, Acts of the 82nd Legislature,
2 Regular Session, 2011, the account has never been
3 created. Therefore, a reference to a deposit to that
4 account in the revised law would be misleading.

5 (2) Section 6.08(f), V.A.C.S. Article 179e,
6 refers to a "breed registry." Throughout this
7 chapter, the revised law substitutes "state horse
8 breed registry" for "breed registry" for clarity and
9 consistency in the terminology used in the revised
10 chapter and because "state horse breed registry" is
11 the defined term under Section 1.03(24), V.A.C.S.
12 Article 179e, revised in this subtitle as Section
13 2021.003(48).

14 Revised Law

15 Sec. 2028.104. RACETRACK ASSOCIATION COMMISSION. After
16 allocation of the amounts specified in Sections 2028.102 and
17 2028.103, the horse racetrack association shall retain as the
18 racetrack association's commission the remainder of the amount
19 deducted under Section 2028.101 from a regular wagering pool, a
20 multiple two wagering pool, or a multiple three wagering pool.
21 (V.A.C.S. Art. 179e, Sec. 6.08(e).)

22 Source Law

23 (e) The remainder of the amount deducted under
24 Subsection (a) of this section from a regular wagering
25 pool, a multiple two wagering pool, or a multiple three
26 wagering pool, after allocation of the amounts
27 specified in Subsections (b), (c), and (d) of this
28 section, shall be retained by the association as its
29 commission.

30 Revisor's Note

31 Section 6.08(e), V.A.C.S. Article 179e, refers to
32 amounts specified in Subsections (b), (c), and (d) of
33 that section. The revised law omits the reference to
34 Subsection (c) because that subsection was repealed in
35 1997 by Section 54, Chapter 1275, Acts of the 75th
36 Legislature, Regular Session.

Revised Law

1
2 Sec. 2028.105. ALLOCATION OF BREAKAGE. (a) A horse
3 racetrack association shall allocate two percent of the breakage
4 from a pari-mutuel pool for purposes of Subchapter F, Chapter 88,
5 Education Code. The remaining 98 percent of the breakage
6 constitutes "total breakage" and must be allocated as provided by
7 Subsections (b), (c), and (d).

8 (b) A horse racetrack association shall pay to the
9 commission for use by the appropriate state horse breed registry,
10 subject to commission rules, 10 percent of the total breakage from a
11 live pari-mutuel pool or a simulcast pari-mutuel pool. The
12 appropriate state horse breed registries are as follows:

13 (1) the Texas Thoroughbred Breeders Association for
14 Thoroughbred horses;

15 (2) the Texas Quarter Horse Association for quarter
16 horses;

17 (3) the Texas Appaloosa Horse Club for Appaloosa
18 horses;

19 (4) the Texas Arabian Breeders Association for Arabian
20 horses; and

21 (5) the Texas Paint Horse Breeders Association for
22 paint horses.

23 (c) A horse racetrack association shall retain 10 percent of
24 the total breakage from a live pari-mutuel pool or a simulcast
25 pari-mutuel pool to be used in stakes races restricted to
26 accredited Texas-bred horses.

27 (d) The appropriate state horse breed registry shall pay the
28 remaining 80 percent of the total breakage as follows:

29 (1) 40 percent to the owners of the accredited
30 Texas-bred horses that finish first, second, or third;

31 (2) 40 percent to the breeders of accredited
32 Texas-bred horses that finish first, second, or third; and

33 (3) 20 percent to the owner of the stallion standing in
34 this state at the time of conception whose Texas-bred get finish

1 first, second, or third.

2 (e) If a share of the breakage cannot be distributed to the
3 person entitled to the share, the appropriate state horse breed
4 registry shall retain that share.

5 (f) For purposes of this section:

6 (1) "Breeder" means a person who, according to the
7 rules of the appropriate state horse breed registry, is the breeder
8 of the accredited Texas-bred horse.

9 (2) "Stallion owner" means a person who is owner of
10 record, at the time of conception, of the stallion that sired the
11 accredited Texas-bred horse. (V.A.C.S. Art. 179e, Secs. 6.08(h),
12 (i), (j), (k) (part), (m).)

13 Source Law

14 (h) Two percent of the breakage shall be
15 allocated to the equine research account under
16 Subchapter F, Chapter 88, Education Code. The
17 remaining 98 percent of the breakage shall constitute
18 "total breakage" and shall be allocated pursuant to
19 Subsections (i) and (j) of this section.

20 (i) Ten percent of the total breakage from a
21 live pari-mutuel pool or a simulcast pari-mutuel pool
22 is to be paid to the commission for use by the
23 appropriate state horse breed registry, subject to
24 rules promulgated by the commission. The appropriate
25 breed registry for Thoroughbred horses is the Texas
26 Thoroughbred Breeders Association, for quarter horses
27 is the Texas Quarter Horse Association, for Appaloosa
28 horses is the Texas Appaloosa Horse Club, for Arabian
29 horses is the Texas Arabian Breeders Association, and
30 for paint horses is the Texas Paint Horse Breeders
31 Association.

32 (j) Ten percent of the total breakage from a
33 live pari-mutuel pool or a simulcast pari-mutuel pool
34 is to be retained by the association to be used in
35 stakes races restricted to accredited Texas-bred
36 horses. The appropriate state horse breed registry
37 shall pay out the remaining 80 percent of the total
38 breakage as follows:

39 (1) 40 percent of the remaining breakage
40 is allocated to the owners of the accredited
41 Texas-bred horses that finish first, second, or third;

42 (2) 40 percent is allocated to the
43 breeders of the accredited Texas-bred horses that
44 finish first, second, or third; and

45 (3) 20 percent is allocated to the owner of
46 the stallion standing in this state at the time of
47 conception whose Texas-bred get finish first, second,
48 or third.

49 (k) For purposes of this section:

50
51 (2) "Breeder" means a person who,
52 according to the rules of the appropriate state horse
53 breed registry, is the breeder of the accredited
54 Texas-bred horse; and

1 (3) "Stallion owner" means a person who is
2 owner of record, at the time of conception, of the
3 stallion that sired the accredited Texas-bred horse.

4 (m) If a share of the breakage cannot be
5 distributed to the person who is entitled to a share,
6 the appropriate breed registry shall retain that
7 share.

8 Revisor's Note

9 Section 6.08(h), V.A.C.S. Article 179e, provides
10 that a horse racetrack association shall allocate two
11 percent of the breakage from a pari-mutuel pool "to the
12 equine research account under Subchapter F, Chapter
13 88, Education Code." The revised law substitutes "for
14 purposes of Subchapter F, Chapter 88, Education Code"
15 for the quoted language for the reason stated in
16 Revisor's Note (1) to Section 2028.103.

17 Revised Law

18 Sec. 2028.106. LIMITATION ON PURSE DEDUCTION. (a) In this
19 section, "horse owner" means a person who is owner of record of an
20 accredited Texas-bred horse at the time of a race.

21 (b) A horse racetrack association may not deduct or withhold
22 any percentage of a purse from the account into which the purse paid
23 to a horse owner is deposited for membership payments, dues,
24 assessments, or any other payments to an organization except an
25 organization chosen by the horse owner. (V.A.C.S. Art. 179e, Secs.
26 6.08(k) (part), (1).)

27 Source Law

28 (k) For purposes of this section:
29 (1) "Horse owner" means a person who is
30 owner of record of an accredited Texas-bred horse at
31 the time of a race;

32 . . .
33 (1) An association may not make a deduction or
34 withhold any percentage of a purse from the account
35 into which the purse paid to a horse owner is deposited
36 for membership payments, dues, assessments, or any
37 other payments to an organization except an
38 organization of the horse owner's choice.

39 Revised Law

40 Sec. 2028.107. LIMITATION ON INCENTIVES AWARDED TO CERTAIN
41 HORSES. An accredited Texas-bred Thoroughbred or Arabian horse
42 described by Section 2021.003(50)(C) is eligible for one-half of

1 the incentives awarded under Sections 2028.103(a) and
2 2028.105(d)(2). The appropriate state horse breed registry shall
3 retain the remaining portion for general distribution at the same
4 meeting in accordance with Sections 2028.103(a) and 2028.105(d).
5 (V.A.C.S. Art. 179e, Sec. 6.08(n).)

6 Source Law

7 (n) An accredited Texas-bred Thoroughbred or
8 Arabian horse described by Section 1.03(21)(C) of this
9 Act is eligible for only one-half of the incentives
10 awarded under Subsections (f) and (j)(2) of this
11 section. The remaining portion shall be retained by
12 the appropriate state horse breed registry for general
13 distribution at the same meeting in accordance with
14 Subsections (f) and (j) of this section.

15 SUBCHAPTER D. DISPOSITION OF GREYHOUND PARI-MUTUEL POOLS AND OTHER
16 AMOUNTS RELATED TO GREYHOUND RACING

17 Revised Law

18 Sec. 2028.151. APPLICATION OF SUBCHAPTER. The deductions
19 and allocations made under this subchapter apply to live
20 pari-mutuel pools. (V.A.C.S. Art. 179e, Sec. 6.09(e).)

21 Source Law

22 (e) The deductions and allocations made
23 pursuant to this section are applicable to live
24 pari-mutuel pools.

25 Revised Law

26 Sec. 2028.152. DISTRIBUTION OF PARI-MUTUEL POOL. Each
27 greyhound racetrack association shall distribute all money
28 deposited in any pari-mutuel pool to the winning ticket holders who
29 present tickets for payment not later than the 60th day after the
30 closing day of the greyhound race meeting at which the pool was
31 formed less:

32 (1) an amount paid as a commission of 18 percent of the
33 total deposits in pools resulting from regular win, place, and show
34 wagering;

35 (2) an amount not to exceed 21 percent of the total
36 deposits in pools resulting from multiple two wagering; and

37 (3) an amount not to exceed 25 percent of the total
38 deposits in pools resulting from multiple three wagering.

1 (V.A.C.S. Art. 179e, Sec. 6.09(a).)

2 Source Law

3 Sec. 6.09. (a) Every association authorized
4 under this Act to conduct pari-mutuel wagering at a
5 greyhound race meeting on races run shall distribute
6 all sums deposited in any pari-mutuel pool to the
7 holders of the winning tickets if those tickets are
8 presented for payment within 60 days after the closing
9 day of the race meeting at which the pool was formed,
10 less an amount paid as a commission of 18 percent of
11 the total deposits in pools resulting from regular
12 win, place, and show wagering, and an amount not to
13 exceed 21 percent of the total deposits in pools
14 resulting from multiple two wagering and an amount not
15 to exceed 25 percent of the total deposits in pools
16 resulting from multiple three wagering.

17 Revisor's Note

18 Section 6.09(a), V.A.C.S. Article 179e, refers to
19 "[e]very association authorized under this Act to
20 conduct pari-mutuel wagering at a greyhound race
21 meeting on races run." For the reason stated in
22 Revisor's Note (2) to Section 2028.051, the revised law
23 substitutes "racetrack association" for
24 "association." For clarity and the convenience of the
25 reader, the revised law throughout this subchapter
26 adds "greyhound" to "racetrack association" because
27 Section 6.09(a) applies only to a racetrack
28 association authorized to conduct wagering at a
29 greyhound race meeting rather than to the broader
30 "racetrack association."

31 Revised Law

32 Sec. 2028.153. STATE FEE. On each racing day, a greyhound
33 racetrack association shall pay to the comptroller the fee due this
34 state. (V.A.C.S. Art. 179e, Sec. 6.09(c).)

35 Source Law

36 (c) On each racing day, the association shall
37 pay the fee due the state to the comptroller.

38 Revised Law

39 Sec. 2028.154. BREAKAGE. (a) A greyhound racetrack
40 association shall pay 50 percent of the breakage to the appropriate
41 state greyhound breed registry. Of that breakage percentage:

1 (1) 25 percent is to be used in stakes races; and
2 (2) 25 percent of that total breakage from a live
3 pari-mutuel pool or a simulcast pari-mutuel pool is to be paid to
4 the commission for use by the state greyhound breed registry,
5 subject to commission rules.

6 (b) The commission by rule shall require the state greyhound
7 breed registry to award a grant, in an amount equal to two percent
8 of the money paid under Subsection (a)(2), to a person for the
9 rehabilitation of greyhounds or to locate homes for greyhounds.
10 (V.A.C.S. Art. 179e, Secs. 6.09(d), (f).)

11 Source Law

12 (d) Fifty percent of the breakage is to be paid
13 to the appropriate state greyhound breeding registry.
14 Of that portion of the breakage 25 percent of that
15 breakage is to be used in stakes races and 25 percent
16 of that total breakage from a live pari-mutuel pool or
17 a simulcast pari-mutuel pool is to be paid to the
18 commission for the use by the state greyhound breed
19 registry, subject to rules promulgated by the
20 commission.

21 (f) The commission in adopting rules relating to
22 money paid to the commission for use by the state
23 greyhound breed registry under Subsection (d) of this
24 section shall require the award of a grant in an amount
25 equal to two percent of the amount paid to the
26 commission for use by the state greyhound breed
27 registry to a person for the rehabilitation of
28 greyhounds or to locate homes for greyhounds.

29 Revisor's Note

30 Section 6.09(d), V.A.C.S. Article 179e, refers to
31 the "state greyhound breeding registry" and the "state
32 greyhound breed registry." The revised law
33 substitutes the latter phrase for the former phrase
34 for clarity and consistency in the terminology used in
35 this chapter.

36 Revised Law

37 Sec. 2028.155. ALLOCATION OF PURSE IN GREYHOUND RACES. (a)
38 The purse in a greyhound race may not be less than 4.7 percent of the
39 total deposited in each pari-mutuel pool.

40 (b) Of the portion of a purse allocated to a greyhound:

41 (1) 35 percent shall be paid directly to the greyhound

1 owner; and

2 (2) the balance shall be paid to the greyhound's
3 contract kennel as provided by commission rules. (V.A.C.S. Art.
4 179e, Sec. 6.11.)

5 Source Law

6 Sec. 6.11. (a) In no event shall the purse in a
7 greyhound race be less than a minimum of 4.7 percent of
8 the total deposited in each pool.

9 (b) Thirty-five percent of the portion of a
10 purse allocated to a greyhound shall be paid directly
11 to its owner. The balance shall be paid to its
12 contract kennel as provided by the rules of the
13 commission.

14 SUBCHAPTER E. DISTRIBUTION OF SIMULCAST PARI-MUTUEL POOLS

15 Revised Law

16 Sec. 2028.201. RULES. The commission shall adopt rules
17 relating to this subchapter and the oversight of the amounts
18 allocated under Sections 2028.202(b) and (c). (V.A.C.S. Art. 179e,
19 Sec. 6.091(j).)

20 Source Law

21 (j) The commission shall adopt rules relating to
22 this section and the oversight of amounts allocated
23 under Subsections (c) and (d) of this section.

24 Revised Law

25 Sec. 2028.202. REQUIRED DISTRIBUTIONS. (a) A racetrack
26 association shall distribute from the total amount deducted as
27 provided by Sections 2028.101 and 2028.152 from each simulcast
28 pari-mutuel pool and each simulcast cross-species pari-mutuel pool
29 the following shares:

30 (1) an amount equal to one percent of each simulcast
31 pari-mutuel pool as the amount set aside for this state;

32 (2) an amount equal to 1.25 percent of each simulcast
33 cross-species pari-mutuel pool as the amount set aside for this
34 state;

35 (3) for a horse racetrack association, an amount equal
36 to one percent of a multiple two wagering pool or multiple three
37 wagering pool as the amount set aside for the Texas-bred program to
38 be used as provided by Section 2028.103;

1 (4) for a greyhound racetrack association, an amount
2 equal to one percent of a multiple two wagering pool or a multiple
3 three wagering pool as the amount set aside for the Texas-bred
4 program for greyhound races, to be distributed and used in
5 accordance with commission rules adopted to promote greyhound
6 breeding in this state; and

7 (5) the remainder as the amount set aside for purses,
8 expenses, the sending track, and the receiving location under a
9 contract approved by the commission between the sending track and
10 the receiving location.

11 (b) From the total amount deducted under Subsection (a), a
12 greyhound racetrack association that receives an interstate
13 cross-species simulcast signal shall distribute the following
14 amounts from each pari-mutuel pool wagered on the signal at the
15 racetrack:

16 (1) a fee of 1.5 percent to be paid to the racetrack in
17 this state sending the signal;

18 (2) a purse in the amount of 0.75 percent to be paid to
19 the official state horse breed registry for Thoroughbred horses for
20 use as purses at racetracks in this state;

21 (3) a purse in the amount of 0.75 percent to be paid to
22 the official state horse breed registry for quarter horses for use
23 as purses at racetracks in this state; and

24 (4) a purse of 4.5 percent to be escrowed with the
25 commission for purses in the manner provided by Section 2028.204.

26 (c) From the total amount deducted under Subsection (a), a
27 horse racetrack association that receives an interstate
28 cross-species simulcast signal shall distribute the following
29 amounts from each pool wagered on the signal at the racetrack:

30 (1) a fee of 1.5 percent to be paid to the racetrack in
31 this state sending the signal; and

32 (2) a purse in the amount of 5.5 percent to be paid to
33 the official state greyhound breed registry for use at racetracks
34 in this state.

1 (d) The official state greyhound breed registry may use not
2 more than 20 percent of the amount described by Subsection (c)(2) to
3 administer that subsection.

4 (e) A racetrack association offering wagering on an
5 intrastate cross-species simulcast signal shall send the purse
6 amount specified under Subsection (b)(4) or (c)(2), as appropriate,
7 to the racetrack conducting the live race that is being simulcast.
8 (V.A.C.S. Art. 179e, Secs. 6.091(a), (c), (d), (h).)

9 Source Law

10 Sec. 6.091. (a) An association shall
11 distribute from the total amount deducted as provided
12 by Sections 6.08(a) and 6.09(a) of this Act from each
13 simulcast pari-mutuel pool and each simulcast
14 cross-species pool the following shares:

15 (1) an amount equal to one percent of each
16 simulcast pool as the amount set aside for the state;

17 (2) an amount equal to 1.25 percent of each
18 simulcast cross-species pool as the amount set aside
19 for the state;

20 (3) if the association is a horse racing
21 association, an amount equal to one percent of a
22 multiple two wagering pool or multiple three wagering
23 pool as the amount set aside for the Texas-bred program
24 to be used as provided by Section 6.08(f) of this Act;

25 (4) if the association is a greyhound
26 association, an amount equal to one percent of a
27 multiple two wagering pool or a multiple three
28 wagering pool as the amount set aside for the
29 Texas-bred program for greyhound races, to be
30 distributed and used in accordance with rules of the
31 commission adopted to promote greyhound breeding in
32 this state; and

33 (5) the remainder as the amount set aside
34 for purses, expenses, the sending association, and the
35 receiving location pursuant to a contract approved by
36 the commission between the sending association and the
37 receiving location.

38 (c) A greyhound racetrack association that
39 receives an interstate cross-species simulcast signal
40 shall distribute the following amounts from the total
41 amount deducted as provided by Subsection (a) of this
42 section from each pool wagered on the signal at the
43 facility:

44 (1) a fee of 1.5 percent to be paid to the
45 racetrack facility in this state sending the signal;

46 (2) a purse in the amount of 0.75 percent
47 to be paid to the official state breed registry for
48 thoroughbred horses for use as purses at racetracks in
49 this state;

50 (3) a purse in the amount of 0.75 percent
51 to be paid to the official state breed registry for
52 quarter horses for use as purses at racetracks in this
53 state; and

54 (4) a purse of 4.5 percent to be escrowed
55 with the commission for purses in the manner set forth
56 in Subsection (e) of this section.

57 (d) A horse racetrack association receiving an

1 interstate cross-species simulcast signal shall
2 distribute the following amounts from the total amount
3 deducted as provided by Subsection (a) of this section
4 from each pool wagered on the signal at the facility:

5 (1) a fee of 1.5 percent to be paid to the
6 racetrack facility in this state sending the signal;
7 and

8 (2) a purse in the amount of 5.5 percent to
9 be paid to the official state breed registry for
10 greyhounds for use at racetracks in this state. The
11 breed registry may use not more than 20 percent of this
12 amount to administer this subdivision.

13 (h) A racetrack facility offering wagering on an
14 intrastate cross-species simulcast signal shall send
15 the purse amount specified under Subsection (c)(4) or
16 (d)(2) of this section, as appropriate, to the
17 racetrack facility conducting the live race that is
18 being simulcast.

19 Revisor's Note

20 (1) Section 6.091(a), V.A.C.S. Article 179e,
21 refers to a "sending association." The revised law
22 substitutes "sending track" for "sending association"
23 for consistency of terminology because, in context,
24 the terms have the same meaning and "sending track" is
25 the defined term under Section 1.03(66), V.A.C.S.
26 Article 179e, revised in this subtitle as Section
27 2021.003(45).

28 (2) Sections 6.091(c)(1), (d), and (h),
29 V.A.C.S. Article 179e, refer to a "racetrack
30 facility." Throughout this chapter, the revised law
31 substitutes "racetrack" for "racetrack facility" for
32 the reasons stated in Revisor's Note (19) to Section
33 2021.003.

34 (3) Section 6.091(d), V.A.C.S. Article 179e,
35 refers to the official "state breed registry for
36 greyhounds." The revised law substitutes "state
37 greyhound breed registry" for "state breed registry
38 for greyhounds" for clarity and consistency in the
39 terminology used in this chapter.

40 (4) Section 6.091(h), V.A.C.S. Article 179e,
41 requires a "racetrack facility" offering wagering on
42 an intrastate cross-species simulcast signal to send a

1 specified purse amount to a certain entity. The
2 revised law substitutes "racetrack association" for
3 "racetrack facility" because in this context the
4 requirement clearly refers to a duty of a racetrack
5 association rather than a duty of a facility.

6 Revised Law

7 Sec. 2028.203. REIMBURSEMENT FOR SIMULCAST SIGNAL COST. If
8 a racetrack association purchases an interstate simulcast signal
9 and the signal cost exceeds five percent of the pari-mutuel pool,
10 the commission, from the escrowed purse account under Section
11 2028.202(b)(4), shall reimburse the racetrack association an
12 amount equal to one-half of the signal cost that exceeds five
13 percent of the pari-mutuel pool. (V.A.C.S. Art. 179e, Sec.
14 6.091(g).)

15 Source Law

16 (g) If a racing association purchases an
17 interstate simulcast signal and the cost of the signal
18 is more than five percent of the pari-mutuel pool, the
19 commission shall reimburse the racing association an
20 amount equal to one-half of the signal cost that is
21 more than five percent of the pari-mutuel pool from the
22 escrowed purse account under Subsection (c)(4) of this
23 section.

24 Revised Law

25 Sec. 2028.204. ALLOCATION OF ESCROWED PURSES. (a) A
26 greyhound racetrack association shall deposit into an escrow
27 account in the commission's registry the purse set aside under
28 Section 2028.202(b)(4).

29 (b) Any horse racetrack association in this state may apply
30 to the commission for receipt of all or part of the escrowed purse
31 account for use as purses. The commission shall determine the horse
32 racetrack associations to be allocated money from the escrowed
33 purse account and the percentages to be allocated, taking into
34 consideration purse levels, racing opportunities, and the
35 financial status of the requesting racetrack association.
36 (V.A.C.S. Art. 179e, Sec. 6.091(e) (part).)

1 as the commission considers appropriate to compensate the racetrack
2 association for the decrease. The amounts allocated may not exceed
3 20 percent of the money in the escrowed purse account that is
4 attributable to the wagering on the interstate cross-species
5 simulcast signal at the greyhound racetrack.

6 (c) Money allocated by the commission under this section may
7 be used by the racetrack association for any purpose. (V.A.C.S.
8 Art. 179e, Sec. 6.091(f).)

9 Source Law

10 (f) After October 15, 1998, a horse racetrack
11 association that is located not more than 75 miles from
12 a greyhound racetrack facility that offers wagering on
13 a cross-species simulcast signal may apply to the
14 commission for an additional allocation of up to 20
15 percent of the funds in the escrowed purse account that
16 is attributable to the wagering on a cross-species
17 simulcast signal at the greyhound racetrack facility,
18 if the horse racetrack facility sends the
19 cross-species simulcast signal to the greyhound
20 racetrack. If the applying horse racetrack can prove
21 to the commission's satisfaction that a decrease in the
22 racetrack's handle has occurred that is directly due to
23 wagering on an interstate cross-species simulcast
24 signal at a greyhound racetrack facility that is
25 located not more than 75 miles from the applying
26 racetrack, the commission shall allocate the amounts
27 from the escrowed purse account as the commission
28 considers appropriate to compensate the racetrack for
29 the decrease, but the amount allocated may not exceed
30 20 percent of the funds in the escrowed purse account
31 that are attributable to the wagering on the
32 interstate cross-species simulcast signal at the
33 greyhound racetrack facility. Any amount allocated by
34 the commission under this subsection may be used by the
35 racetrack facility for any purpose.

36 Revisor's Note

37 (1) Section 6.091(f), V.A.C.S. Article 179e,
38 authorizes a horse racetrack association to make an
39 application "[a]fter October 15, 1998." The revised
40 law omits the quoted language as unnecessary because
41 that date has passed and any new application made by a
42 horse racetrack association must occur after that
43 date.

44 (2) Section 6.091(f), V.A.C.S. Article 179e,
45 refers to "a horse racetrack association that is
46 located not more than 75 miles from a greyhound

1 racetrack facility." Section 1.03(2), V.A.C.S.
2 Article 179e, revised in this subtitle as Section
3 2021.003(42), defines "racetrack association" for
4 purposes of the law revised in this subtitle as a
5 person licensed to "conduct a horse race meeting or a
6 greyhound race meeting with pari-mutuel wagering."
7 Section 1.03(25), V.A.C.S. Article 179e, revised in
8 this subtitle as Section 2021.003(41), defines
9 "racetrack" as a facility that is licensed to conduct
10 pari-mutuel wagering on greyhound racing or horse
11 racing. The revised law substitutes "a horse racetrack
12 association operating a racetrack that is located not
13 more than 75 miles from a greyhound racetrack" for the
14 quoted language because it is clear from the context
15 that the reference applies to the location of a
16 facility and not to the location of a person.

17 Revised Law

18 Sec. 2028.206. HOST FEE. A racetrack association
19 conducting a live race that is being simulcast may charge the
20 receiving racetrack a host fee in addition to the amounts described
21 in this subchapter. (V.A.C.S. Art. 179e, Sec. 6.091(i).)

22 Source Law

23 (i) A racing facility conducting a live race
24 that is being simulcast may charge the receiving
25 racetrack facility a host fee in addition to the
26 amounts described in this section.

27 Revisor's Note

28 Section 6.091(i), V.A.C.S. Article 179e, refers
29 to "[a] racing facility." Section 1.03, V.A.C.S.
30 Article 179e, does not define the term "racing
31 facility," but Subdivision (25) of that section,
32 revised in this subtitle as Section 2021.003(41), does
33 define "racetrack" as a facility that is licensed to
34 conduct pari-mutuel wagering on greyhound racing or
35 horse racing. Section 1.03(2), V.A.C.S. Article 179e,

1 revised in this subtitle as Section 2021.003(42),
2 defines "racetrack association" for purposes of the
3 law revised in this subtitle as a person licensed to
4 conduct a horse race meeting or a greyhound race
5 meeting with pari-mutuel wagering. The revised law
6 substitutes "racetrack association" for "racing
7 facility" because it is clear from the context that the
8 reference applies to the person conducting the race
9 and not the facility itself.

10 Revisor's Note
11 (End of Subchapter)

12 Section 6.091(b), V.A.C.S. Article 179e,
13 provides that Section 6.09(b)(1), V.A.C.S. Article
14 179e, does not apply to amounts deducted from certain
15 wagering pools. The revised law omits this provision
16 because Section 6.09(b) was repealed in 1997. The
17 omitted law reads:

18 (b) Section 6.09(b)(1) of this Act
19 does not apply to amounts deducted from a
20 simulcast pari-mutuel pool in a greyhound
21 race.

22 SUBCHAPTER F. COUNTY AND MUNICIPAL FEES

23 Revised Law

24 Sec. 2028.251. ADMISSION FEES AUTHORIZED. (a) A
25 commissioners court may collect a fee not to exceed 15 cents as an
26 admission fee to a racetrack located in the county.

27 (b) If the racetrack is located in a municipality, the
28 governing body of the municipality may collect a fee not to exceed
29 15 cents as an admission fee to the racetrack.

30 (c) If the racetrack is not located in a municipality, the
31 commissioners court may collect an additional fee not to exceed 15
32 cents as an admission fee to a racetrack located in the county for
33 allocation among the municipalities in the county.

34 (d) If the racetrack is not located in a municipality, the
35 commissioners court on request of the governing bodies of a
36 majority of the municipalities in the county shall collect the

1 additional fee. Allocation of the fees must be based on the
2 population of the municipalities in the county. (V.A.C.S. Art.
3 179e, Sec. 6.17(a).)

4 Source Law

5 Sec. 6.17. (a) A commissioners court may
6 collect a fee not to exceed 15 cents as an admission
7 fee to a licensed racetrack located within the county.
8 If the racetrack is located within an incorporated
9 city or town, the governing body of the city or town
10 may collect a fee not to exceed 15 cents as an
11 admission fee to a licensed racetrack located within
12 the city or town. If the racetrack is not located
13 within an incorporated city or town, the court may
14 collect an additional fee not to exceed 15 cents as an
15 admission fee to a licensed racetrack located within
16 the county for allocation among the incorporated
17 cities or towns in the county. If the racetrack is not
18 located in an incorporated city or town, the court
19 shall collect the additional fee if requested to do so
20 by the governing bodies of a majority of the
21 incorporated cities and towns in the county.
22 Allocation of the fees shall be based on the population
23 within the county of the cities or towns.

24 Revisor's Note

25 (1) Section 6.17(a), V.A.C.S. Article 179e,
26 refers to a "licensed racetrack." Throughout this
27 chapter, the revised law omits "licensed" as
28 unnecessary because Section 1.03(25), V.A.C.S.
29 Article 179e, revised in this subtitle as Section
30 2021.003(41), defines "racetrack" as a facility that
31 is licensed for the conduct of pari-mutuel wagering.

32 (2) Section 6.17(a), V.A.C.S. Article 179e,
33 refers to an "incorporated city or town" and a "city or
34 town." The revised law substitutes "municipality" for
35 "city" and "town" because the terms are synonymous and
36 "municipality" is the term used in the Local
37 Government Code. The revised law omits "incorporated"
38 as unnecessary because, under the Local Government
39 Code, all municipalities must be incorporated.

40 Revised Law

41 Sec. 2028.252. ADDITIONAL FEES FOR CERTAIN COUNTIES. If
42 the racetrack is a class 1 racetrack, the commissioners court of
43 each county with a population of not less than 1.3 million adjacent

1 to the county in which the racetrack is located may each collect
2 fees equal to the fees authorized by Section 2028.251. (V.A.C.S.
3 Art. 179e, Sec. 6.17(b).)

4 Source Law

5 (b) If the racetrack is a class 1 racetrack, the
6 commissioners court of each county with a population
7 of not less than 1.3 million adjacent to the county in
8 which the racetrack is located may each collect fees
9 equal to the fees authorized by Subsection (a) of this
10 section.

11 Revised Law

12 Sec. 2028.253. PROCEDURES FOR FEE COLLECTION. (a) A
13 commissioners court by order may establish procedures for the
14 collection of the fees under Section 2028.251.

15 (b) The procedures may require a racetrack association to
16 keep records and file the reports considered necessary by the
17 commissioners court. (V.A.C.S. Art. 179e, Sec. 6.17(c).)

18 Source Law

19 (c) The commissioners court by order may
20 establish procedures for the collection of the fees
21 under Subsection (a) of this section. The procedures
22 may require a person holding a racetrack license to
23 keep records and file reports as considered necessary
24 by the commissioners court.

25 Revisor's Note

26 Section 6.17(c), V.A.C.S. Article 179e, refers to
27 "a person holding a racetrack license." Section
28 1.03(2), V.A.C.S. Article 179e, revised in this
29 subtitle as Section 2021.003(42), defines "racetrack
30 association" for purposes of the law revised in this
31 subtitle as a person licensed to conduct a horse race
32 meeting or a greyhound race meeting with pari-mutuel
33 wagering. For consistency of terminology throughout
34 this chapter, the revised law substitutes "racetrack
35 association" for "a person holding a racetrack
36 license" because that person is, by definition, a
37 racetrack association.

38 Revised Law

39 Sec. 2028.254. OTHER FEES AND TAXES PROHIBITED. A county or

1 municipality may not assess or collect any other license fee,
2 privilege tax, excise tax, or racing fee on admissions to, or wagers
3 placed at, a racetrack. (V.A.C.S. Art. 179e, Sec. 6.17(d).)

4 Source Law

5 (d) A county or municipality may not assess or
6 collect any other license fee, privilege tax, excise
7 tax, or racing fee on admissions to, or wagers placed
8 at, a licensed racetrack.

9 CHAPTER 2029. ALLOCATION OF RACING DAYS

10 SUBCHAPTER A. HORSE RACING

11 Sec. 2029.001. ALLOCATION OF HORSE RACING DAYS;
12 PROHIBITED RACING DAYS 189
13 Sec. 2029.002. CHARITY DAYS 190
14 Sec. 2029.003. ACCESS TO RACES 191

15 SUBCHAPTER B. GREYHOUND RACING

16 Sec. 2029.051. NUMBER OF GREYHOUND RACING DAYS 192
17 Sec. 2029.052. CHARITY DAYS 193
18 Sec. 2029.053. SUBSTITUTE RACING DAYS OR ADDITIONAL
19 RACES 194

20 CHAPTER 2029. ALLOCATION OF RACING DAYS

21 SUBCHAPTER A. HORSE RACING

22 Revised Law

23 Sec. 2029.001. ALLOCATION OF HORSE RACING DAYS; PROHIBITED
24 RACING DAYS. (a) The commission shall allocate the live and
25 simulcast horse racing days for the conduct of live and simulcast
26 racing at each racetrack.

27 (b) In allocating race dates under this section, the
28 commission shall consider live race dates separately from simulcast
29 race dates.

30 (c) The commission may prohibit racing on Sunday unless the
31 prohibition would conflict with another provision of this subtitle.
32 (V.A.C.S. Art. 179e, Sec. 8.01 (part).)

33 Source Law

34 Sec. 8.01. The commission shall allocate the
35 live and simulcast racing days for the conduct of live
36 and simulcast racing at each racetrack licensed under
37 this Act. . . . In allocating race dates under this

1 section, the commission shall consider live race dates
2 separately from simulcast race dates. The commission
3 may prohibit Sunday racing unless the prohibition
4 would conflict with another provision of this Act.

5 Revisor's Note

6 (1) Section 8.01, V.A.C.S. Article 179e, refers
7 to "racing days." The revised law substitutes "horse
8 racing days" for "racing days" for clarity and because
9 "horse racing day" is the defined term under Section
10 1.03(26), V.A.C.S. Article 179e, revised in this
11 subtitle as Section 2021.003(19).

12 (2) Section 8.01, V.A.C.S. Article 179e, refers
13 to "each racetrack licensed under this Act." The
14 revised law omits the phrase "licensed under this Act"
15 as unnecessary because the phrase is included in the
16 definition of "racetrack" under Section 1.03(25),
17 V.A.C.S. Article 179e, revised in this subtitle as
18 Section 2021.003(41).

19 Revised Law

20 Sec. 2029.002. CHARITY DAYS. (a) The commission shall
21 grant to each racetrack association additional horse racing days
22 during a horse race meeting to be conducted as charity days. The
23 commission shall grant to each class 1 racetrack and to each class 2
24 racetrack at least two and not more than five additional days.

25 (b) Each class 1 and class 2 racetrack shall conduct charity
26 race days in accordance with this section.

27 (c) The commission shall ensure that races conducted by a
28 racetrack association on a charity day are comparable in all
29 respects, including the generation of revenue, to races conducted
30 by that racetrack association on any other horse racing day.

31 (d) The commission shall adopt rules relating to the conduct
32 of charity days. (V.A.C.S. Art. 179e, Sec. 8.02.)

33 Source Law

34 Sec. 8.02. (a) The commission shall grant
35 additional racing days to each association during a
36 race meeting to be conducted as charity days. The
37 commission shall grant at least two and not more than
38 five additional days to each class 1 racetrack and to

1 each class 2 racetrack. Each class 1 and class 2
2 racetrack shall conduct charity race days in
3 accordance with this section.

4 (b) The commission shall adopt rules relating to
5 the conduct of charity days. The commission shall
6 insure that the races held by an association on a
7 charity day are comparable in all respects, including
8 the generation of revenue, to the races held by that
9 association on any other racing day.

10 Revisor's Note

11 (1) Section 8.02, V.A.C.S. Article 179e, refers
12 to "racing days." The revised law substitutes "horse
13 racing days" for "racing days" for the reasons stated
14 in Revisor's Note (1) to Section 2029.001.

15 (2) Section 8.02, V.A.C.S. Article 179e, refers
16 to an "association," meaning the term defined by
17 Section 1.03(2), V.A.C.S. Article 179e, revised in
18 this subtitle as Section 2021.003(42). The revised law
19 substitutes "racetrack association" as the defined
20 term for the reasons stated in Revisor's Note (20) to
21 Section 2021.003.

22 (3) Section 8.02, V.A.C.S. Article 179e, refers
23 to a "race meeting." The revised law substitutes
24 "horse race meeting" for "race meeting" for clarity
25 and because "horse race meeting" is the defined term
26 under Section 1.03(6), V.A.C.S. Article 179e, revised
27 in this subtitle as Section 2021.003(18).

28 Revised Law

29 Sec. 2029.003. ACCESS TO RACES. (a) Each racetrack shall
30 provide reasonable access to races for all breeds of horses as
31 determined by the racetrack association through negotiations with
32 the representative state horse breed registry with the final
33 approval of the commission.

34 (b) In granting approval under Subsection (a), the
35 commission shall consider:

36 (1) the availability of competitive horses;

37 (2) economic feasibility; and

38 (3) public interest. (V.A.C.S. Art. 179e, Sec. 8.01

1 (part).)

2 Source Law

3 Sec. 8.01. . . . Each racetrack shall accord
4 reasonable access to races for all breeds of horses as
5 determined by the racetrack through negotiations with
6 the representative state breed registry with the final
7 approval of the commission. In granting approval, the
8 commission shall consider the factors of availability
9 of competitive horses, economic feasibility, and
10 public interest. . . .

11 Revisor's Note

12 (1) Section 8.01, V.A.C.S. Article 179e,
13 directs a "racetrack" to determine reasonable access
14 to races for all breeds of horses. Section 1.03(25),
15 V.A.C.S. Article 179e, revised in this subtitle as
16 Section 2021.003(41), defines "racetrack" as a
17 facility that is licensed to conduct pari-mutuel
18 wagering on greyhound racing or horse racing. Section
19 1.03(2), V.A.C.S. Article 179e, revised in this
20 subtitle as Section 2021.003(42), defines "racetrack
21 association" for purposes of the law revised in this
22 subtitle as a person licensed to "conduct a horse race
23 meeting or a greyhound race meeting with pari-mutuel
24 wagering." The revised law substitutes "racetrack
25 association" for "racetrack" because it is clear from
26 the context that the reference applies to a person and
27 not to a facility.

28 (2) Section 8.01, V.A.C.S. Article 179e, refers
29 to the "state breed registry." The revised law
30 substitutes "state horse breed registry" for "state
31 breed registry" for clarity and because "state horse
32 breed registry" is the defined term under Section
33 1.03(24), V.A.C.S. Article 179e, revised in this
34 subtitle as Section 2021.003(48).

35 SUBCHAPTER B. GREYHOUND RACING

36 Revised Law

37 Sec. 2029.051. NUMBER OF GREYHOUND RACING DAYS. A

1 greyhound racetrack association is entitled to 300 evening
2 performances and 150 matinee performances in a calendar year.
3 (V.A.C.S. Art. 179e, Sec. 10.01 (part).)

4 Source Law

5 Sec. 10.01. Any greyhound racing licensee shall
6 be entitled to have 300 evening and 150 matinee
7 performances in a calendar year. . . .

8 Revisor's Note

9 Section 10.01, V.A.C.S. Article 179e, refers to a
10 "greyhound racing licensee." For clarity and
11 consistency in the revised law, throughout this
12 chapter the revised law substitutes "greyhound
13 racetrack association" for the quoted language because
14 "racetrack association" is defined in Section
15 2021.003(42) of this subtitle as "a person licensed
16 under this subtitle to conduct a horse race meeting or
17 a greyhound race meeting with pari-mutuel wagering."

18 Revised Law

19 Sec. 2029.052. CHARITY DAYS. (a) The commission shall
20 grant not less than five additional greyhound racing days during a
21 greyhound race meeting to be conducted as charity days.

22 (b) The commission shall ensure that races conducted by a
23 racetrack association on a charity day are comparable in all
24 respects, including the generation of revenue, to races conducted
25 by that racetrack association on any other greyhound racing day.

26 (c) The commission shall adopt rules relating to the conduct
27 of charity days. (V.A.C.S. Art. 179e, Sec. 10.01 (part).)

28 Source Law

29 Sec. 10.01. . . . The commission shall grant at
30 least five additional racing days during a race
31 meeting to be conducted as charity days. The
32 commission shall adopt rules relating to the conduct
33 of charity days. The commission shall insure that the
34 races held by an association on a charity day are
35 comparable in all respects, including the generation
36 of revenue, to the races held by that association on
37 any other racing day.

38 Revisor's Note

39 (1) Section 10.01, V.A.C.S. Article 179e,

1 refers to "racing days." The revised law substitutes
2 "greyhound racing days" for "racing days" for clarity
3 and because "greyhound racing day" is the defined term
4 under Section 1.03(50), V.A.C.S. Article 179e, revised
5 in this subtitle as Section 2021.003(17).

6 (2) Section 10.01, V.A.C.S. Article 179e,
7 refers to a "race meeting." The revised law
8 substitutes the phrase "greyhound race meeting" for
9 clarity and consistency in the terminology used in
10 this subtitle.

11 Revised Law

12 Sec. 2029.053. SUBSTITUTE RACING DAYS OR ADDITIONAL RACES.
13 If, for a reason beyond a greyhound racetrack association's control
14 and not caused by the racetrack association's fault or neglect, it
15 is impossible for the racetrack association to conduct a race on a
16 day authorized by the commission, the commission in its discretion
17 and at the request of the racetrack association, as a substitute for
18 the race, may:

19 (1) specify another day for the racetrack association
20 to conduct racing; or

21 (2) add additional races to already programmed events.
22 (V.A.C.S. Art. 179e, Sec. 10.02.)

23 Source Law

24 Sec. 10.02. If for a reason beyond the
25 licensee's control and not caused by the licensee's
26 fault or neglect it is impossible for the licensee to
27 hold or conduct a race or races on a day authorized by
28 the commission, the commission in its discretion and
29 at the request of the licensee, as a substitute for the
30 race or races, may specify another day for the holding
31 or conducting of racing by the licensee or may add
32 additional races to already programmed events.

33 Revisor's Note

34 (1) Section 10.02, V.A.C.S. Article 179e,
35 refers to "conducting of racing by the licensee" and a
36 "licensee." The revised law substitutes "racetrack
37 association" for the quoted phrases for consistency
38 and clarity in the terminology used because a person

1 who holds a license to conduct racing is referred to
2 throughout the revised law as a "racetrack
3 association," as defined by Section 2021.003(42).

4 (2) Section 10.02, V.A.C.S. Article 179e,
5 refers to the conducting of a "race or races." The
6 revised law omits the reference to "races" because
7 Section 311.012(b), Government Code (Code
8 Construction Act), applicable to the revised law,
9 provides that a reference to the singular includes the
10 plural.

11 CHAPTER 2030. TEXAS-BRED HORSES AND GREYHOUNDS

12 SUBCHAPTER A. TEXAS-BRED HORSES; BREED REGISTRIES; RACING

13 Sec. 2030.001. QUALIFICATIONS OF ACCREDITED TEXAS-BRED
14 HORSES 195
15 Sec. 2030.002. STATE HORSE BREED REGISTRIES 196
16 Sec. 2030.003. TEXAS-BRED RACES 197
17 Sec. 2030.004. PURSE SUPPLEMENTS FOR TEXAS-BRED RACES 199
18 Sec. 2030.005. EQUITABLE NUMBER OF RACES FOR EACH
19 BREED 200
20 Sec. 2030.006. EQUITABLE STABLING 200

21 SUBCHAPTER B. TEXAS-BRED GREYHOUNDS

22 Sec. 2030.051. QUALIFICATIONS OF TEXAS-BRED GREYHOUNDS . . . 201
23 Sec. 2030.052. STATE GREYHOUND BREED REGISTRY 201
24 Sec. 2030.053. BREAKAGE DISTRIBUTIONS DUE STATE
25 GREYHOUND BREED REGISTRY 201

26 CHAPTER 2030. TEXAS-BRED HORSES AND GREYHOUNDS

27 SUBCHAPTER A. TEXAS-BRED HORSES; BREED REGISTRIES; RACING

28 Revised Law

29 Sec. 2030.001. QUALIFICATIONS OF ACCREDITED TEXAS-BRED
30 HORSES. (a) Subject to this subtitle or commission rule, a state
31 horse breed registry shall adopt reasonable rules to establish the
32 qualifications of accredited Texas-bred horses to promote,
33 develop, and improve the breeding of horses in this state.

34 (b) Rules adopted under this section are subject to approval

1 by the commission. (V.A.C.S. Art. 179e, Sec. 9.01.)

2 Source Law

3 Sec. 9.01. Subject to this Act or any rule of
4 the commission, the state horse breed registries shall
5 make reasonable rules to establish the qualifications
6 of accredited Texas-bred horses to promote, develop,
7 and improve the breeding of horses in this state.
8 Rules adopted by a registry are subject to commission
9 approval.

10 Revised Law

11 Sec. 2030.002. STATE HORSE BREED REGISTRIES. (a) The
12 officially designated state horse breed registries for accredited
13 Texas-bred horses are:

14 (1) the Texas Thoroughbred Breeders Association for
15 Thoroughbred horses;

16 (2) the Texas Quarter Horse Association for quarter
17 horses;

18 (3) the Texas Appaloosa Horse Club for Appaloosa
19 horses;

20 (4) the Texas Arabian Breeders Association for Arabian
21 horses; and

22 (5) the Texas Paint Horse Breeders Association for
23 paint horses.

24 (b) The appropriate state horse breed registry shall act in
25 an advisory capacity to each racetrack association and to the
26 commission for the purpose of administering Sections 2030.003 and
27 2030.004. (V.A.C.S. Art. 179e, Secs. 9.02, 9.03(b) (part).)

28 Source Law

29 Sec. 9.02. The officially designated state
30 horse breed registries for accredited Texas-bred
31 horses are the Texas Thoroughbred Breeders Association
32 for Thoroughbred horses, the Texas Quarter Horse
33 Association for quarter horses, the Texas Appaloosa
34 Horse Club for Appaloosa horses, the Texas Arabian
35 Breeders Association for Arabian horses, and the Texas
36 Paint Horse Breeders Association for paint horses.

37 [Sec. 9.03]

38 (b) . . . The appropriate state breed registry
39 shall act in an advisory capacity to the association
40 and the commission for the purpose of administering
41 this section.

1 Revisor's Note

2 (1) Section 9.03(b), V.A.C.S. Article 179e,
3 refers to the appropriate "state breed registry." The
4 revised law substitutes "state horse breed registry"
5 for "state breed registry" for clarity and consistency
6 in the terminology used in the chapter and because
7 "state horse breed registry" is the defined term under
8 Section 1.03(24), V.A.C.S. Article 179e, revised in
9 this subtitle as Section 2021.003(48).

10 (2) Section 9.03(b), V.A.C.S. Article 179e,
11 states that the appropriate state horse breed registry
12 shall act in an advisory capacity for the purpose of
13 administering that section, revised in relevant part
14 in this chapter as Sections 2030.003 and 2030.004. For
15 the convenience of the reader, the revised law
16 substitutes a reference to Sections 2030.003 and
17 2030.004 for the reference to "this section."

18 (3) Section 9.03(b), V.A.C.S. Article 179e,
19 refers to an "association," meaning the term defined
20 by Section 1.03(2), V.A.C.S. Article 179e, revised in
21 this subtitle as Section 2021.003(42). Throughout this
22 chapter, the revised law substitutes "racetrack
23 association" for "association" or "horse racing
24 association" for the reasons stated in Revisor's Note
25 (20) to Section 2021.003.

26 Revised Law

27 Sec. 2030.003. TEXAS-BRED RACES. (a) In this section,
28 "Texas-bred race" means a race limited to accredited Texas-bred
29 horses.

30 (b) A racetrack association shall provide for the running of
31 Texas-bred races.

32 (c) Except as provided by Subsection (d), on each horse
33 racing day, a racetrack association shall provide for the running
34 of at least two Texas-bred races, including one race restricted to

1 maidens.

2 (d) In accordance with commission rule, a racetrack
3 association may defer the running of one or both of the races
4 required by Subsection (c) for each horse racing day if the
5 racetrack association provides that the total number of accredited
6 Texas-bred races in a horse race meeting is equal to twice the total
7 number of horse racing days in the horse race meeting. (V.A.C.S.
8 Art. 179e, Sec. 9.03(a) (part).)

9 Source Law

10 Sec. 9.03. (a) An association shall provide for
11 the running of races limited to accredited Texas-bred
12 horses, each to be known as a Texas-bred race. Unless
13 otherwise provided by this section, on every racing
14 day, an association shall provide for the running of at
15 least two races limited to accredited Texas-bred
16 horses, one of which shall be restricted to maidens.
17 . . . An association may defer, in accordance with
18 commission rule, the running of one or both of the two
19 races required by this section for each racing day, but
20 the association must provide that the total number of
21 accredited Texas-bred races in a race meeting is equal
22 to twice the total number of race dates in the race
23 meeting.

24 Revisor's Note

25 (1) Section 9.03(a), V.A.C.S. Article 179e,
26 refers to each or every "racing day" and subsequently
27 to "race dates." The revised law substitutes "horse
28 racing day" for "racing day" and "race dates" for
29 clarity and consistency in the terminology used in
30 this chapter and because "horse racing day" is the
31 defined term under Section 1.03(26), V.A.C.S. Article
32 179e, revised in this subtitle as Section
33 2021.003(19).

34 (2) Section 9.03(a), V.A.C.S. Article 179e,
35 refers to a "race meeting." Throughout this chapter,
36 the revised law substitutes "horse race meeting" for
37 "race meeting" for clarity and consistency in the
38 terminology used in this chapter and because "horse
39 race meeting" is the defined term under Section
40 1.03(6), V.A.C.S. Article 179e, revised in this

1 subtitle as Section 2021.003(18).

2 (3) Section 9.03(a), V.A.C.S. Article 179e,
3 refers to a race held before January 1, 1994. The
4 revised law omits this provision as executed. The
5 omitted law reads:

6 (a) . . . Before January 1, 1994, if
7 on any day not enough horses are entered in
8 an accredited Texas-bred race to provide
9 sufficient competition, an association
10 shall provide for the running of two races
11 in which accredited Texas-bred horses are
12 preferred. . . .

13 Revised Law

14 Sec. 2030.004. PURSE SUPPLEMENTS FOR TEXAS-BRED RACES. (a)
15 In this section, "Texas-bred race" has the meaning assigned by
16 Section 2030.003.

17 (b) To encourage horse breeding in this state, an accredited
18 Texas-bred horse finishing first, second, or third in a race in this
19 state, except a restricted stakes race, is entitled to receive a
20 purse supplement.

21 (c) Funds for the purse supplements shall be derived from
22 the breakage as provided by Subchapters C and E, Chapter 2028.

23 (d) An accredited Texas-bred Thoroughbred horse that
24 finishes first, second, or third in a race other than a Texas-bred
25 race is entitled to receive an owner's bonus award as a purse
26 supplement. Twenty-five percent of the Texas-bred program funds
27 received under Subchapters C and E, Chapter 2028, excluding
28 expenses for administration of the Texas-bred program, shall be
29 allocated to fund the bonus awards. (V.A.C.S. Art. 179e, Secs.
30 9.03(a) (part), (b) (part), (c) (part), 9.04.)

31 Source Law

32 Sec. 9.03. (a) [An association shall provide
33 for the running of races limited to accredited
34 Texas-bred horses,] each to be known as a Texas-bred
35 race. . . .

36 (b) To encourage the breeding of horses in this
37 state, any accredited Texas-bred horse finishing
38 first, second, or third in any race in this state
39 except a restricted stakes race shall receive a purse
40 supplement. . . .

41 (c) An accredited Texas-bred Thoroughbred horse
42 that finishes first, second, or third in a race other

1 than a Texas-bred race shall receive an owner's bonus
2 award as a purse supplement. A percentage of the
3 Texas-bred program funds received under Sections 6.08
4 and 6.091, excluding expenses for administration of
5 the Texas-bred program, shall be allocated to fund the
6 bonus awards as follows:

7
8 (7) . . . 25 percent.

9 Sec. 9.04. Funds for the purse supplements shall
10 be derived from the breakage as provided by Section
11 6.08 of this Act.

12 Revisor's Note

13 Section 9.03(c), V.A.C.S. Article 179e, refers to
14 allocating a portion of Texas-bred program funds to
15 fund bonus awards in years before 2008. The revised
16 law omits those provisions as executed. The omitted
17 law reads:

18 (c) . . .
19 (1) for 2002, 10 percent;
20 (2) for 2003, 12.5 percent;
21 (3) for 2004, 15 percent;
22 (4) for 2005, 17.5 percent;
23 (5) for 2006, 20 percent;
24 (6) for 2007, 22.5 percent; and
25 (7) for 2008 and subsequent
26 years,

27 Revised Law

28 Sec. 2030.005. EQUITABLE NUMBER OF RACES FOR EACH BREED.

29 (a) A racetrack association that conducts a horse race meeting for
30 more than one breed of horse at one racetrack shall provide that the
31 number of races run by each breed on each day is equitable as
32 determined by the commission under Section 2029.003.

33 (b) The commission by rule or by order may allow an
34 exception to Subsection (a) if an insufficient number of horses of a
35 breed are available to provide sufficient competition. (V.A.C.S.
36 Art. 179e, Sec. 9.05.)

37 Source Law

38 Sec. 9.05. When a horse racing association
39 conducts a race meeting for more than one breed of
40 horse at one racetrack, the number of races to be run
41 by each breed on each day shall be equitable as
42 determined by the commission under Section 8.01 of
43 this Act. The commission, by rule or by order, may
44 allow an exception if there are not enough horses of a
45 breed available to provide sufficient competition.

46 Revised Law

47 Sec. 2030.006. EQUITABLE STABLING. A racetrack association

1 that conducts a horse race meeting for more than one breed of horse
2 at one racetrack shall provide on-track stalls on an equitable
3 basis as determined by the commission under Section 2029.003.
4 (V.A.C.S. Art. 179e, Sec. 9.06.)

5 Source Law

6 Sec. 9.06. When a horse racing association
7 conducts a race meeting for more than one breed of
8 horse at one racetrack, on-track stalls shall be
9 provided on an equitable basis as determined by the
10 commission under Section 8.01 of this Act.

11 SUBCHAPTER B. TEXAS-BRED GREYHOUNDS

12 Revised Law

13 Sec. 2030.051. QUALIFICATIONS OF TEXAS-BRED GREYHOUNDS.

14 (a) Subject to this subtitle or commission rule, the state
15 greyhound breed registry shall adopt reasonable rules to establish
16 the qualifications of accredited Texas-bred greyhounds to promote,
17 develop, and improve the breeding of greyhounds in this state.

18 (b) Rules adopted under this section are subject to approval
19 by the commission. (V.A.C.S. Art. 179e, Sec. 10.04(a).)

20 Source Law

21 Sec. 10.04. (a) Subject to this Act or any rule
22 of the commission, the state greyhound breed registry
23 shall make reasonable rules to establish the
24 qualifications of accredited Texas-bred greyhounds to
25 promote, develop, and improve the breeding of
26 greyhounds in this state. Rules adopted by the
27 registry are subject to commission approval.

28 Revised Law

29 Sec. 2030.052. STATE GREYHOUND BREED REGISTRY. The
30 officially designated state greyhound breed registry for
31 accredited Texas-bred greyhounds is the Texas Greyhound
32 Association. (V.A.C.S. Art. 179e, Sec. 10.05 (part).)

33 Source Law

34 Sec. 10.05. The officially designated state
35 greyhound breed registry for accredited Texas-bred
36 greyhounds is the Texas Greyhound Association. . . .

37 Revised Law

38 Sec. 2030.053. BREAKAGE DISTRIBUTIONS DUE STATE GREYHOUND
39 BREED REGISTRY. (a) The state greyhound breed registry shall adopt
40 rules to provide for the use of breakage received by the registry

1 under Section 2028.154(a).

2 (b) A racetrack association shall pay the appropriate state
3 greyhound breed registry at least every 30 days the breakage due to
4 the breed registry. (V.A.C.S. Art. 179e, Sec. 10.05 (part).)

5 Source Law

6 Sec. 10.05. . . . The state breed registry
7 shall adopt rules to provide for the use of breakage
8 received by it under Section 6.09(d) of this Act. An
9 association shall pay the breakage due the breed
10 registry to the appropriate state greyhound breed
11 registry at least every 30 days.

12 Revisor's Note

13 Section 10.05, V.A.C.S. Article 179e, refers to
14 the "state breed registry." The revised law
15 substitutes "state greyhound breed registry" for
16 "state breed registry" for clarity and for consistency
17 in the terminology used in this chapter and this
18 subtitle.

19 CHAPTER 2031. TEXAS DERBIES

20 Sec. 2031.001. ESTABLISHMENT OF TEXAS DERBIES 202
21 Sec. 2031.002. RACE CONDITIONS, ENTRANCE
22 QUALIFICATIONS, AND PREFERENCE SYSTEM . . . 204
23 Sec. 2031.003. PRERACE EXAMINATION 204
24 Sec. 2031.004. TEXAS DERBY ESCROW PURSE FUND 205

25 CHAPTER 2031. TEXAS DERBIES

26 Revised Law

27 Sec. 2031.001. ESTABLISHMENT OF TEXAS DERBIES. (a) The
28 commission shall establish as Texas Derbies the following annual
29 stakes races:

- 30 (1) one race open to three-year-old Thoroughbreds;
- 31 (2) one race open only to three-year-old Texas-bred
32 Thoroughbreds;
- 33 (3) one race open to three-year-old quarter horses;
- 34 and
- 35 (4) one race open only to three-year-old Texas-bred
36 quarter horses.

1 (b) Each Texas Derby must be held annually on a date and at
2 the class 1 racetrack determined by the commission. The commission
3 shall determine the location of each Texas Derby in consultation
4 with:

- 5 (1) each class 1 racetrack;
- 6 (2) the official state horse breed registries; and
- 7 (3) the official horsemen's organization.

8 (c) The commission may sell the right to name a Texas Derby.
9 The commission shall deposit the proceeds from the sale of the right
10 to name a Texas Derby into the Texas Derby escrow purse fund
11 established under Section 2031.004. (V.A.C.S. Art. 179e, Secs.
12 9A.001(a), (e), (f).)

13 Source Law

14 Sec. 9A.001. (a) The commission shall
15 establish as Texas Derbies the following annual stakes
16 races:

- 17 (1) one race open to three-year-old
18 Thoroughbreds;
- 19 (2) one race open only to three-year-old
20 Texas-bred Thoroughbreds;
- 21 (3) one race open to three-year-old
22 quarter horses; and
- 23 (4) one race open only to three-year-old
24 Texas-bred quarter horses.

25 (e) The commission shall set the date of and the
26 location for each Texas Derby. Each Texas Derby must
27 be held annually at the class 1 racetrack determined by
28 the commission. The commission shall determine the
29 location of each Texas Derby in consultation with:

- 30 (1) each class 1 racetrack;
- 31 (2) the official state breed registries;
- 32 and
- 33 (3) the official horsemen's organization.

34 (f) The commission may sell the right to name a
35 Texas Derby. The commission shall deposit the
36 proceeds from the sale of the right to name a Texas
37 Derby into the Texas Derby escrow purse fund
38 established under Section 9A.003 of this article.

39 Revisor's Note

40 Section 9A.001, V.A.C.S. Article 179e, refers to
41 the official "state breed registries." Throughout
42 this chapter, the revised law substitutes "state horse
43 breed registries" for "state breed registries" for
44 clarity and because "state horse breed registry" is
45 the defined term under Section 1.03(24), V.A.C.S.

1 Article 179e, revised in this subtitle as Section
2 2021.003(48).

3 Revised Law

4 Sec. 2031.002. RACE CONDITIONS, ENTRANCE QUALIFICATIONS,
5 AND PREFERENCE SYSTEM. (a) For each Texas Derby, the race
6 conditions, the entrance qualifications, and the preference system
7 used to determine race finalists shall be developed by:

8 (1) the racetrack that is awarded the derby, for a race
9 described by Section 2031.001(a)(1) or (3); or

10 (2) the respective official state horse breed
11 registries and the official horsemen's organization, for a race
12 described by Section 2031.001(a)(2) or (4).

13 (b) The race conditions, the entrance qualifications, and
14 the preference system developed under Subsection (a) are subject to
15 review and approval by the executive director. (V.A.C.S. Art.
16 179e, Secs. 9A.001(b), (c), (d).)

17 Source Law

18 (b) For a Texas Derby open only to Texas-bred
19 horses, the respective official state breed registries
20 and the official horsemen's organization shall
21 develop:

22 (1) the race conditions and entrance
23 qualifications; and

24 (2) the preference system used to
25 determine the race finalists.

26 (c) Each class 1 racetrack that is awarded a
27 Texas Derby that is not limited to Texas-bred horses
28 shall develop for the derby:

29 (1) the race conditions and entrance
30 qualifications; and

31 (2) the preference system used to
32 determine the race finalists.

33 (d) The race conditions and qualifications and
34 preference systems developed for the Texas Derbies
35 under Subsection (b) or (c) of this section are subject
36 to review and approval by the executive secretary.

37 Revised Law

38 Sec. 2031.003. PRERACE EXAMINATION. (a) For each Texas
39 Derby, the commission shall appoint a state veterinarian to conduct
40 a prerace examination of each horse entered in the race to determine
41 whether the horse:

42 (1) is healthy; and

43 (2) meets standards set by commission rule for racing.

1 (b) The examination may:

2 (1) be conducted at any time before the race; and

3 (2) include any procedure that the state veterinarian
4 considers necessary to make the determination required by
5 Subsection (a). (V.A.C.S. Art. 179e, Sec. 9A.002.)

6 Source Law

7 Sec. 9A.002. (a) For each Texas Derby, the
8 commission shall appoint a state veterinarian to
9 conduct a prerace examination of each horse entered in
10 the race to determine whether the horse is healthy and
11 meets standards set by commission rule for racing.

12 (b) The examination may include any procedure
13 that the state veterinarian considers necessary to
14 make the determination required by Subsection (a) of
15 this section.

16 (c) The examination may be conducted at any time
17 before the race.

18 Revised Law

19 Sec. 2031.004. TEXAS DERBY ESCROW PURSE FUND. (a) The
20 commission shall establish a Texas Derby escrow purse fund.

21 (b) Notwithstanding Section 2023.053 or 2024.055 or any
22 other law, the commission by rule shall determine a portion of the
23 fees, charges, and other revenue collected under this subtitle to
24 be deposited to the credit of the Texas Derby escrow purse fund in
25 the amount reasonably necessary to maintain competitive purses for
26 each Texas Derby.

27 (c) The commission shall by rule establish a schedule of
28 entrance fees for participants in each Texas Derby. A portion of
29 each entrance fee, in the amount determined by the commission under
30 Subsection (b), shall be deposited in the Texas Derby escrow purse
31 fund.

32 (d) The commission by rule may assess under this subtitle
33 additional charges and fees, including gate fees, to supplement the
34 funds otherwise deposited in the Texas Derby escrow purse fund
35 under this section.

36 (e) The commission may not:

37 (1) use funds from the accredited Texas-bred program
38 under Subchapter A, Chapter 2030, or the escrowed purse account
39 under Section 2028.204 to fund the Texas Derby escrow purse fund; or

1 (2) order a state horse breed registry to fund a purse
2 for a Texas Derby, make contributions to the Texas Derby escrow
3 purse fund, or pay the expenses of a Texas Derby race.

4 (f) State revenue may not be deposited to the credit of the
5 Texas Derby escrow purse fund except as provided by this section.
6 (V.A.C.S. Art. 179e, Sec. 9A.003.)

7 Source Law

8 Sec. 9A.003. (a) The commission shall
9 establish a Texas Derby escrow purse fund.

10 (b) The commission shall by rule establish a
11 schedule of entrance fees for participants in each
12 Texas Derby. A portion determined by the commission of
13 each entrance fee shall be deposited in the Texas Derby
14 escrow purse fund.

15 (c) Notwithstanding Section 3.09 of this Act or
16 any other law, the commission by rule shall determine a
17 portion of the fees, charges, and other revenue
18 collected under this Act to be deposited to the credit
19 of the Texas Derby escrow purse fund as reasonably
20 necessary to maintain competitive purses for each
21 Texas Derby.

22 (d) The commission by rule may assess under this
23 Act additional charges and fees, including gate fees,
24 to supplement the funds otherwise deposited in the
25 Texas Derby escrow purse fund under this section.

26 (e) The commission may not:

27 (1) use funds from the accredited
28 Texas-bred program under Article 9 of this Act or the
29 escrowed purse account under Section 6.091(e) of this
30 Act to fund the Texas Derby escrow purse fund; or

31 (2) order a breed registry to fund a purse
32 for a Texas Derby, make contributions to the Texas
33 Derby escrow purse fund, or pay the expenses of a Texas
34 Derby race.

35 (f) Other than as provided by this section, no
36 other state revenue may be deposited to the credit of
37 the Texas Derby escrow purse fund.

38 CHAPTER 2032. LIVESTOCK SHOWS, EXHIBITS, AND FAIRS

39 Sec. 2032.001. COUNTY LIVESTOCK SHOWS AND EXHIBITS;

40 COUNTY RIGHTS 206

41 Sec. 2032.002. COUNTIES HOLDING CERTAIN RACETRACK

42 LICENSES 207

43 Sec. 2032.003. PUBLIC FAIRS AND LIVESTOCK EXHIBITIONS 208

44 CHAPTER 2032. LIVESTOCK SHOWS, EXHIBITS, AND FAIRS

45 Revised Law

46 Sec. 2032.001. COUNTY LIVESTOCK SHOWS AND EXHIBITS; COUNTY
47 RIGHTS. (a) Subject to the licensing requirements and other
48 provisions of this subtitle, a county may conduct an annual race

1 meeting, not to exceed 16 racing days, in connection with a
2 livestock show or exhibit held under Chapter 319, Local Government
3 Code.

4 (b) An agent qualified to hold a license under this subtitle
5 and selected by the commissioners court under Section 319.004,
6 Local Government Code, may conduct the race meeting.

7 (c) This subtitle does not prohibit a county from exercising
8 any right otherwise granted to any person by this subtitle.
9 (V.A.C.S. Art. 179e, Sec. 12.01.)

10 Source Law

11 Sec. 12.01. Subject to the licensing
12 requirements and other provisions of this Act, a
13 county may conduct an annual race meeting, not to
14 exceed 16 racing days, in connection with a livestock
15 show or exhibit that is held under Chapter 319, Local
16 Government Code. The race meetings may be conducted by
17 an agent selected by the commissioners court under
18 Section 319.004, Local Government Code, if the agent
19 is qualified to hold a license under this Act. This Act
20 does not prohibit a county from exercising any right
21 otherwise granted to any person by this Act.

22 Revised Law

23 Sec. 2032.002. COUNTIES HOLDING CERTAIN RACETRACK
24 LICENSES. (a) A county that holds a class 4 racetrack license may
25 conduct an annual race meeting not to exceed five racing days in
26 connection with a livestock show or exhibit held under Chapter 319,
27 Local Government Code. A racing day of the annual race meeting must
28 be conducted on a day when general fair activities are conducted.

29 (b) A county that holds a class 4 racetrack license may
30 contract with an agent to conduct any portion of a race meeting.
31 The agent must hold a license issued under this subtitle that is
32 appropriate for the service the agent provides. (V.A.C.S.
33 Art. 179e, Sec. 12.03.)

34 Source Law

35 Sec. 12.03. (a) A county that holds a class 4
36 racetrack license may conduct an annual race meeting
37 not to exceed five racing days in connection with a
38 livestock show or exhibition held under Chapter 319,
39 Local Government Code. A race meeting must be
40 conducted on a day when general fair activities are
41 conducted.

42 (b) A county that holds a class 4 racetrack
43 license may contract with an agent to conduct any

1 portion of a race meeting. An agent must hold a
2 license issued under this Act that is appropriate for
3 the service the agent provides.

4 Revisor's Note

5 Section 12.03(a), V.A.C.S. Article 179e,
6 provides that a "race meeting must be conducted on a
7 day when general fair activities are conducted."
8 Section 1.03(6), V.A.C.S. Article 179e, revised in
9 this subtitle as Section 2021.003(18), defines a
10 "horse race meeting" as "the conducting of horse races
11 on a day or during a period of . . . days." The revised
12 law substitutes "racing day of the annual race
13 meeting" for "race meeting" to clarify that each
14 racing day of the annual race meeting, which could be a
15 period of days, must occur on a day when general fair
16 activities are conducted.

17 Revised Law

18 Sec. 2032.003. PUBLIC FAIRS AND LIVESTOCK EXHIBITIONS.
19 Subject to the licensing requirements and other provisions of this
20 subtitle, a nonprofit corporation may conduct a race meeting, not
21 to exceed 16 racing days, for the purpose of encouraging
22 agriculture through the operation of public fairs and livestock
23 exhibitions. (V.A.C.S. Art. 179e, Sec. 12.02.)

24 Source Law

25 Sec. 12.02. Subject to the licensing
26 requirements and other provisions of this Act, a
27 nonprofit corporation organized under the Texas
28 Non-Profit Corporation Act (Article 1396-1.01 et seq.,
29 Vernon's Texas Civil Statutes) for the purpose of
30 encouraging agriculture through the operation of
31 public fairs and livestock exhibitions may conduct a
32 race meeting, not to exceed 16 racing days.

33 Revisor's Note

34 Section 12.02, V.A.C.S. Article 179e, refers to a
35 nonprofit corporation "organized under the Texas
36 Non-Profit Corporation Act (Article 1396-1.01 et seq.,
37 Vernon's Texas Civil Statutes)." The revised law omits
38 the quoted language as unnecessary because "nonprofit
39 corporation" is defined for the article by Section

1	Sec. 2033.053.	PRELIMINARY REPORT AND NOTICE OF	
2		VIOLATION AND PENALTY	225
3	Sec. 2033.054.	PENALTY TO BE PAID OR HEARING REQUESTED	226
4	Sec. 2033.055.	HEARING	227
5	Sec. 2033.056.	OPTIONS FOLLOWING DECISION: PAY OR	
6		APPEAL	227
7	Sec. 2033.057.	COMPLAINTS	228
8		SUBCHAPTER C. CEASE AND DESIST ORDERS	
9	Sec. 2033.101.	CEASE AND DESIST ORDER	229
10	Sec. 2033.102.	HEARING CONCERNING PROPOSED CEASE AND	
11		DESIST ORDER; FINAL ORDER	230
12	Sec. 2033.103.	PETITION FOR JUDICIAL REVIEW OF CEASE	
13		AND DESIST ORDER	231
14	Sec. 2033.104.	EMERGENCY CEASE AND DESIST ORDER	231
15	Sec. 2033.105.	HEARING CONCERNING EMERGENCY CEASE AND	
16		DESIST ORDER; FINAL ORDER	232
17	Sec. 2033.106.	VIOLATION OF FINAL CEASE AND DESIST	
18		ORDER	234
19		SUBCHAPTER D. OTHER DISCIPLINARY POWERS	
20	Sec. 2033.151.	DISCIPLINARY ACTIONS	235
21	Sec. 2033.152.	HEARING CONCERNING SUSPENSION,	
22		REVOCATION, OR REFUSAL TO RENEW	
23		LICENSE	235
24	Sec. 2033.153.	INJUNCTION	236
25	Sec. 2033.154.	ENFORCEMENT REGARDING HORSEMEN'S	
26		ACCOUNT	236
27	CHAPTER 2033. CRIMINAL AND ADMINISTRATIVE PENALTIES; DISCIPLINARY		
28	POWERS		
29	SUBCHAPTER A. CRIMINAL PENALTIES AND PROCEDURES		
30	<u>Revised Law</u>		
31	Sec. 2033.001.	GENERAL CRIMINAL PENALTY. If a provision of	
32		this subtitle creates an offense without providing a specific	
33		penalty, a person who violates that provision commits a state jail	
34		felony. (V.A.C.S. Art. 179e, Sec. 15.01.)	

1 (a) A person commits an offense if, without a license, the person
2 in any capacity participates or is otherwise involved in horse
3 racing or greyhound racing with pari-mutuel wagering.

4 (b) An offense under Subsection (a) is a Class A
5 misdemeanor, unless the actor was required by this subtitle to
6 obtain a racetrack license, in which event the offense is a state
7 jail felony.

8 (c) It is an affirmative defense to prosecution under
9 Subsection (a) that the actor was a spectator or a person placing a
10 wager. (V.A.C.S. Art. 179e, Sec. 14.15.)

11 Source Law

12 Sec. 14.15. (a) A person commits an offense
13 if, without a license, the person participates or is
14 otherwise involved in, in any capacity, greyhound
15 racing or horse racing with pari-mutuel wagering.

16 (b) It is an affirmative defense to prosecution
17 under Subsection (a) of this section that the actor was
18 a spectator or a person placing a wager.

19 (c) An offense under Subsection (a) of this
20 section is a Class A misdemeanor, unless the actor was
21 required by this Act to obtain a racetrack license, in
22 which event it is a state jail felony.

23 Revised Law

24 Sec. 2033.004. RACING WITHOUT LICENSE. (a) A person
25 commits an offense if the person:

26 (1) conducts a horse or greyhound race without a
27 racetrack license; and

28 (2) knows or reasonably should know that another
29 person is betting on the final or partial outcome of the race.

30 (b) An offense under this section is a felony of the third
31 degree. (V.A.C.S. Art. 179e, Sec. 14.16.)

32 Source Law

33 Sec. 14.16. (a) A person commits an offense if
34 the person:

35 (1) conducts a greyhound or horse race
36 without a racetrack license; and

37 (2) knows or reasonably should know that
38 another person is betting on the final or partial
39 outcome of the race.

40 (b) An offense under this section is a felony of
41 the third degree.

42 Revised Law

43 Sec. 2033.005. IMPERSONATING LICENSE HOLDER. (a) A person

1 commits an offense if the person impersonates a license holder with
2 the intent to induce another person to submit to the actor's
3 purported authority as a license holder or to rely on the actor's
4 actions as an alleged license holder.

5 (b) An offense under this section is a Class A misdemeanor.
6 (V.A.C.S. Art. 179e, Sec. 14.09.)

7 Source Law

8 Sec. 14.09. (a) A person commits an offense if
9 the person impersonates a licensee with the intent to
10 induce another person to submit to the actor's
11 purported authority as a licensee or to rely on the
12 actor's actions as an alleged licensee.

13 (b) An offense under this section is a Class A
14 misdemeanor.

15 Revised Law

16 Sec. 2033.006. UNLAWFUL POSSESSION OR USE OF CREDENTIAL.

17 (a) A person commits an offense if the person knowingly possesses
18 or displays a credential or false credential that identifies the
19 person as the holder of the credential and the person knows that:

20 (1) the credential is not issued to the person; or

21 (2) the person is not a license holder.

22 (b) An offense under this section is a Class C misdemeanor.
23 (V.A.C.S. Art. 179e, Sec. 14.02.)

24 Source Law

25 Sec. 14.02. (a) A person commits an offense if
26 the person knowingly or intentionally possesses or
27 displays a credential or false credential that
28 identifies the person as the holder of the credential
29 and the person knows:

30 (1) that the credential is not issued to
31 the person; or

32 (2) the person is not a licensee.

33 (b) An offense under this section is a Class C
34 misdemeanor.

35 Revisor's Note

36 Section 14.02(a), V.A.C.S. Article 179e,
37 provides that a person commits an offense if the person
38 "knowingly or intentionally" commits certain acts.
39 Throughout this chapter, the revised law omits the
40 reference to "intentionally" as unnecessary because
41 under Section 6.02, Penal Code, applicable to the

1 revised law, culpable mental states are classified
2 according to relative degrees from highest to lowest,
3 and an intentional mental state is a more culpable
4 mental state than a knowing state. Proof of a higher
5 state of culpability than that charged constitutes
6 proof of the culpability charged.

7 Revised Law

8 Sec. 2033.007. FAILURE TO DISPLAY CREDENTIAL. (a) For
9 purposes of this section, a request is lawful if it is made:

10 (1) at any time by:

11 (A) the commission;

12 (B) an authorized commission agent;

13 (C) the director or a commissioned officer of the
14 Department of Public Safety;

15 (D) a peace officer; or

16 (E) a steward or judge; and

17 (2) at any restricted location that is at a racetrack
18 and is not a public place.

19 (b) A person commits an offense if, after a lawful request,
20 the person knowingly fails or refuses to:

21 (1) display a credential to another person; or

22 (2) give the person's name, residence address, or date
23 of birth to another person.

24 (c) Except as provided by Subsection (d), an offense under
25 this section is a Class B misdemeanor.

26 (d) At the punishment stage of a trial for an offense under
27 Subsection (b)(1), the defendant may raise an issue as to whether
28 the defendant was a license holder at the time of the offense. If
29 the defendant proves the issue, the offense is a Class C
30 misdemeanor. (V.A.C.S. Art. 179e, Sec. 14.17.)

31 Source Law

32 Sec. 14.17. (a) A person commits an offense if
33 the person intentionally or knowingly:

34 (1) fails or refuses to display a
35 credential to another after a lawful request; or

36 (2) fails or refuses to give the person's

1 name, residence address, or date of birth to another
2 after a lawful request.

3 (b) In this section, "lawful request" means a
4 request from the commission, an authorized agent of
5 the commission, the director or a commissioned officer
6 of the Department of Public Safety, a peace officer, or
7 a steward or judge at any time and any restricted
8 location that:

9 (1) is on a racetrack facility; and

10 (2) is not a public place.

11 (c) Except as provided by Subsection (d) of this
12 section, an offense under this section is a Class B
13 misdemeanor.

14 (d) At the punishment stage of a trial for an
15 offense under Subsection (a)(1) of this section, the
16 defendant may raise an issue as to whether the
17 defendant was a licensee at the time of the offense.
18 If the defendant proves the issue, the offense is a
19 Class C misdemeanor.

20 Revised Law

21 Sec. 2033.008. RACES CONDUCTED ON CERTAIN INDIAN LANDS.

22 (a) A person commits an offense if the person knowingly wagers on
23 the result of a horse or greyhound race conducted in this state
24 that:

25 (1) is held on an American Indian reservation or on
26 American Indian trust land located in this state; and

27 (2) is not held under the supervision of the
28 commission under rules adopted under this subtitle.

29 (b) An offense under this section is a felony of the third
30 degree.

31 (c) It is an exception to the application of this section
32 that the person is a member of a recognized Texas Indian tribe who
33 lives on a reservation or on trust lands located in this state.

34 (V.A.C.S. Art. 179e, Sec. 14.05.)

35 Source Law

36 Sec. 14.05. (a) A person who is subject to this
37 section commits an offense if the person intentionally
38 or knowingly wagers on the result of a greyhound race
39 or horse race conducted in this state that:

40 (1) is held on an American Indian
41 reservation or on American Indian trust land located
42 in this state; and

43 (2) is not held under the supervision of
44 the commission under rules adopted under this Act.

45 (b) An offense under this section is a felony of
46 the third degree.

47 (c) It is an exception to the application of
48 this section that the person is a member of a
49 recognized Texas Indian tribe who lives on a
50 reservation or on trust lands located in this state.

1 Revisor's Note

2 Section 14.05(a), V.A.C.S. Article 179e,
3 provides that "[a] person who is subject to this
4 section" commits an offense for making certain
5 prohibited wagers. Section 14.05(c), V.A.C.S. Article
6 179e, provides an exception to the application of
7 Section 14.05, clarifying that certain Native American
8 tribe members are not subject to this section. The
9 revised law omits the phrase "who is subject to this
10 section" as redundant and unnecessary because the only
11 people who are not subject to the section are those
12 exempted by Section 14.05(c).

13 Revised Law

14 Sec. 2033.009. ILLEGAL ACCESS TO ENCLOSURE. (a) A person
15 commits an offense if the person is a license holder and the person
16 knowingly permits, facilitates, or allows access to an enclosure
17 where races are conducted to another person who the person knows:

18 (1) has engaged in bookmaking, touting, or illegal
19 wagering;

20 (2) derives income from illegal activities or
21 enterprises;

22 (3) has been convicted of a violation of this
23 subtitle; or

24 (4) is excluded by the commission from entering a
25 racetrack.

26 (b) An offense under this section is a Class B misdemeanor.
27 (V.A.C.S. Art. 179e, Sec. 14.04.)

28 Source Law

29 Sec. 14.04. (a) A person commits an offense if
30 the person is a licensee and the person knowingly or
31 intentionally permits, facilitates, or allows access,
32 to an enclosure where races are conducted, to another
33 person who the person knows:

34 (1) has engaged in bookmaking, touting, or
35 illegal wagering;

36 (2) derives income from illegal activities
37 or enterprises;

38 (3) has been convicted of a violation of
39 this Act; or

1 (4) is excluded by the commission from
2 entering a racetrack facility.

3 (b) An offense under this section is a Class B
4 misdemeanor.

5 Revised Law

6 Sec. 2033.010. HINDERING ENTRY OR SEARCH. (a) A person
7 commits an offense if the person with criminal negligence refuses,
8 denies, or hinders entry to another person who is exercising or
9 attempting to exercise a power of entry under this subtitle or a
10 commission rule.

11 (b) A person commits an offense if the person with criminal
12 negligence refuses, denies, hinders, interrupts, disrupts,
13 impedes, or otherwise interferes with a search by a person who is
14 exercising or attempting to exercise a power to search under this
15 subtitle or a commission rule.

16 (c) An offense under this section is a Class B misdemeanor.
17 (V.A.C.S. Art. 179e, Sec. 14.07.)

18 Source Law

19 Sec. 14.07. (a) A person commits an offense if
20 the person with criminal negligence refuses, denies,
21 or hinders entry to another who is exercising or
22 attempting to exercise a power of entry under this Act
23 or a commission rule.

24 (b) A person commits an offense if the person
25 with criminal negligence refuses, denies, hinders,
26 interrupts, disrupts, impedes, or otherwise
27 interferes with a search by a person exercising or
28 attempting to exercise a power to search under this Act
29 or a commission rule.

30 (c) An offense under this section is a Class B
31 misdemeanor.

32 Revised Law

33 Sec. 2033.011. FORGING PARI-MUTUEL TICKET. (a) In this
34 section, "forge" has the meaning assigned by Section 32.21, Penal
35 Code.

36 (b) A person commits an offense if the person knowingly
37 forges a pari-mutuel ticket with the intent to defraud or harm
38 another person.

39 (c) An offense under this section is a felony of the third
40 degree. (V.A.C.S. Art. 179e, Sec. 14.08.)

41 Source Law

42 Sec. 14.08. (a) A person commits an offense if

1 the person intentionally or knowingly forges a
2 pari-mutuel ticket with the intent to defraud or harm
3 another.

4 (b) In this section, "forge" has the meaning
5 assigned by Section 32.21, Penal Code.

6 (c) An offense under this section is a felony of
7 the third degree.

8 Revised Law

9 Sec. 2033.012. FALSE STATEMENTS. (a) In this section,
10 "statement" means a representation of fact, including:

11 (1) a written or oral statement; or

12 (2) a sworn or unsworn statement.

13 (b) A person commits an offense if the person knowingly
14 makes a material and false, incorrect, or deceptive statement to
15 another person who is conducting an investigation or exercising
16 discretion under this subtitle or a rule adopted under this
17 subtitle.

18 (c) An offense under this section is a state jail felony
19 unless the statement was material in a commission action relating
20 to a racetrack license, in which event the offense is a felony of
21 the third degree. (V.A.C.S. Art. 179e, Sec. 14.06.)

22 Source Law

23 Sec. 14.06. (a) A person commits an offense if
24 the person knowingly makes a material and false,
25 incorrect, or deceptive statement to another who is
26 conducting an investigation or exercising discretion
27 under this Act or a rule adopted under this Act.

28 (b) In this section, the term "statement" means
29 a representation of fact and includes:

30 (1) a written or oral statement; or

31 (2) a sworn or unsworn statement.

32 (c) An offense under this section is a state
33 jail felony unless the statement was material in a
34 commission action relating to a racetrack license, in
35 which event the offense is a felony of the third
36 degree.

37 Revised Law

38 Sec. 2033.013. TOUTING. (a) A person commits an offense
39 if, with an intent to deceive and an intent to obtain a benefit, the
40 person knowingly:

41 (1) makes a false statement about a horse or greyhound
42 race to another person; or

43 (2) offers, agrees to convey, or conveys false
44 information about a horse or greyhound race to another person.

1 (b) Except as provided by Subsection (c), an offense under
2 this section is a Class A misdemeanor.

3 (c) An offense under this section is a state jail felony if:

4 (1) the actor:

5 (A) is a license holder under this subtitle or a
6 commission member or employee; and

7 (B) knowingly represents that a commission
8 member or employee or a person licensed by the commission is the
9 source of the false information; or

10 (2) the false statement or information was contained
11 in racing selection information provided to the public. (V.A.C.S.
12 Art. 179e, Sec. 14.01.)

13 Source Law

14 Sec. 14.01. (a) A person commits an offense if,
15 with an intent to deceive and an intent to obtain a
16 benefit, the person knowingly makes a false statement
17 or offers, agrees to convey, or conveys false
18 information about a greyhound race or horse race to
19 another.

20 (b) Except as provided by Subsection (c) of this
21 section, an offense under this section is a Class A
22 misdemeanor.

23 (c) An offense under this section is a state
24 jail felony if:

25 (1) the actor is a licensee under this Act
26 or an employee or member of the commission and the
27 actor knowingly represents that a member or employee
28 of the commission or a person licensed by the
29 commission is the source of the false information; or

30 (2) the false statement or information was
31 contained in racing selection information provided to
32 the public.

33 Revised Law

34 Sec. 2033.014. BRIBERY AND CORRUPT INFLUENCE. (a) A person
35 commits an offense if, with the intent to influence or affect the
36 outcome of a race in a manner contrary to this subtitle or a
37 commission rule, the person offers, confers, or agrees to confer on
38 another person, or solicits, accepts, or agrees to accept from
39 another person, any benefit as consideration for the actions of a
40 person who receives the benefit relating to the conduct, decision,
41 opinion, recommendation, vote, or exercise of discretion as a
42 license holder or other person associated with or interested in any
43 stable, kennel, horse, greyhound, or horse or greyhound race.

1 (b) An offense under this section is a state jail felony
2 unless the recipient of the benefit is a steward, judge, or other
3 racetrack official exercising authority over a horse or greyhound
4 race that the person providing or offering the benefit intended to
5 influence, in which event the offense is a felony of the third
6 degree. (V.A.C.S. Art. 179e, Sec. 14.11.)

7 Source Law

8 Sec. 14.11. (a) A person commits an offense if,
9 with the intent to influence or affect the outcome of a
10 race in a manner contrary to this Act or a commission
11 rule, the person offers, confers, agrees to confer on
12 another, or solicits, accepts, or agrees to accept
13 from another person any benefit as consideration for
14 the actions of a person who receives the benefit
15 relating to the conduct, decision, opinion,
16 recommendation, vote, or exercise of discretion as a
17 licensee or other person associated with or interested
18 in any stable, kennel, horse, greyhound, or horse or
19 greyhound race.

20 (b) An offense under this section is a state
21 jail felony, unless the recipient of the benefit is a
22 steward, judge, or other racetrack official exercising
23 authority over a horse or greyhound race that the
24 person providing or offering the benefit intended to
25 influence, in which event it is a felony of the third
26 degree.

27 Revised Law

28 Sec. 2033.015. POSSESSION OR USE OF PROHIBITED DEVICE OR
29 SUBSTANCE. (a) A person commits an offense if the person possesses
30 a prohibited device or prohibited substance at a racetrack, in an
31 enclosure, or at a training facility.

32 (b) A person commits an offense if, with the intent to
33 influence or affect a horse or greyhound race in a manner contrary
34 to this subtitle or a commission rule, the person uses or offers to
35 use:

36 (1) a prohibited device; or

37 (2) a prohibited substance.

38 (c) An offense under Subsection (a) is a Class A misdemeanor
39 unless the actor possessed the prohibited device or prohibited
40 substance with the intent to influence or affect the outcome of a
41 horse or greyhound race in a manner contrary to this subtitle or a
42 commission rule, in which event the offense is a state jail felony.

43 (d) An offense under Subsection (b) is a felony of the third

1 degree. (V.A.C.S. Art. 179e, Sec. 14.10.)

2 Source Law

3 Sec. 14.10. (a) A person commits an offense if
4 the person possesses a prohibited device or prohibited
5 substance on a racetrack facility, in an enclosure, or
6 at a training facility.

7 (b) An offense under Subsection (a) of this
8 section is a Class A misdemeanor, unless the actor
9 possessed the device or substance with the intent to
10 influence or affect the outcome of a horse or greyhound
11 race in a manner contrary to this Act or a commission
12 rule, in which event it is a state jail felony.

13 (c) A person commits an offense if, with the
14 intent to influence or affect a horse or greyhound race
15 in a manner contrary to this Act or a commission rule,
16 the person:

17 (1) uses or offers to use a prohibited
18 device; or

19 (2) uses or offers to use a prohibited
20 substance.

21 (d) An offense under Subsection (c) of this
22 section is a felony of the third degree.

23 Revised Law

24 Sec. 2033.016. CRIMINAL CONFLICT OF INTEREST. A person who
25 is a commission member commits an offense if the person:

26 (1) accepts, directly or indirectly, employment or
27 remuneration from a racetrack, racetrack association, or other
28 license holder, including a racetrack, racetrack association, or
29 license holder located or residing in another state;

30 (2) wagers or causes a wager to be placed on the
31 outcome of a horse or greyhound race conducted in this state; or

32 (3) accepts or is entitled to any part of a purse to be
33 paid to an animal in a race conducted in this state. (V.A.C.S.
34 Art. 179e, Sec. 14.12.)

35 Source Law

36 Sec. 14.12. A person who is a member of the
37 commission commits an offense if the person:

38 (1) accepts, directly or indirectly,
39 employment or remuneration from a racetrack facility,
40 association, or other licensee, including a facility,
41 association, or licensee located or residing in
42 another state;

43 (2) wagers or causes a wager to be placed
44 on the outcome of a horse or greyhound race conducted
45 in this state; or

46 (3) accepts or is entitled to any part of a
47 purse to be paid to an animal in a race conducted in
48 this state.

1 Revisor's Note

2 Section 14.12, V.A.C.S. Article 179e, refers to
3 an "association," meaning the term defined by Section
4 1.03(2), V.A.C.S. Article 179e, revised in this
5 subtitle as Section 2021.003(42). The revised law
6 substitutes "racetrack association" as the defined
7 term for the reasons stated in Revisor's Note (20) to
8 Section 2021.003.

9 Revised Law

10 Sec. 2033.017. OFFENSE INVOLVING MINOR. (a) A person
11 commits an offense if the person with criminal negligence permits,
12 facilitates, or allows:

13 (1) wagering by a minor at a racetrack; or

14 (2) entry by a child to the viewing section of a
15 racetrack.

16 (b) A person commits an offense if the person is a minor and
17 knowingly engages in wagering at a racetrack.

18 (c) An offense under Subsection (a) is a Class B
19 misdemeanor.

20 (d) An offense under Subsection (b) is a Class C
21 misdemeanor.

22 (e) It is an affirmative defense to prosecution of an
23 offense under Subsection (a)(2) that a child was accompanied by and
24 was in the physical presence of a parent, guardian, or spouse who
25 was 21 years of age or older.

26 (f) It is an affirmative defense to prosecution of an
27 offense under Subsection (a) that the minor falsely represented the
28 minor's age by displaying to the person an apparently valid Texas
29 driver's license or identification card issued by the Department of
30 Public Safety that contains a physical description consistent with
31 the minor's appearance. (V.A.C.S. Art. 179e, Sec. 14.13.)

32 Source Law

33 Sec. 14.13. (a) A person commits an offense if
34 the person with criminal negligence permits,
35 facilitates, or allows:

1 (1) wagering by a minor at a racetrack
2 facility; or

3 (2) entry by a child to the viewing section
4 of a racetrack facility.

5 (b) An offense under Subsection (a) of this
6 section is a Class B misdemeanor.

7 (c) A person commits an offense if the person is
8 a minor and intentionally or knowingly engages in
9 wagering at a racetrack.

10 (d) An offense under Subsection (c) of this
11 section is a Class C misdemeanor.

12 (e) It is an affirmative defense to prosecution
13 of an offense under Subsection (a)(2) that a child was
14 accompanied by and was in the physical presence of a
15 parent, guardian, or spouse who was 21 years of age or
16 older.

17 (f) It is an affirmative defense to prosecution
18 of an offense under Subsection (a) of this section that
19 the minor falsely represented the minor's age by
20 displaying to the person an apparently valid Texas
21 driver's license or identification card issued by the
22 Department of Public Safety that contains a physical
23 description consistent with the minor's appearance.

24 Revised Law

25 Sec. 2033.018. SEARCH AND SEIZURE. (a) A person consents
26 to a search for a prohibited device, prohibited substance, or other
27 contraband at a time and location described by Subsection (b) if the
28 person:

29 (1) accepts a license or other credential issued under
30 this subtitle; or

31 (2) enters a racetrack under the authority of a
32 license or other credential alleged to have been issued under this
33 subtitle.

34 (b) A search may be conducted by a commissioned officer of
35 the Department of Public Safety or a peace officer, including a
36 peace officer employed by the commission, at any time and at any
37 location at a racetrack, except a location:

38 (1) excluded by commission rule from searches under
39 this section; or

40 (2) provided by a racetrack association under
41 commission rule for private storage of personal items belonging to
42 a license holder entering a racetrack.

43 (c) A person conducting a search under Subsection (b) may
44 seize a prohibited device, prohibited substance, or other
45 contraband discovered during the search. (V.A.C.S. Art. 179e, Sec.

1 14.18.)

2 Source Law

3 Sec. 14.18. (a) A person consents to a search
4 at a time and location described in Subsection (b) of
5 this section for a prohibited device, prohibited
6 substance, or other contraband if the person:

7 (1) accepts a license or other credential
8 issued under this Act; or

9 (2) enters a racetrack facility under the
10 authority of a license or other credential alleged to
11 have been issued under this Act.

12 (b) A search may be conducted by a commissioned
13 officer of the Department of Public Safety or a peace
14 officer, including a peace officer employed by the
15 commission, at any time and at any location that is on
16 a racetrack facility, except a location:

17 (1) excluded by commission rule from
18 searches under this section; or

19 (2) provided by an association under
20 commission rule for private storage of personal items
21 belonging to a licensee entering a racetrack facility.

22 (c) A person conducting a search under
23 Subsection (b) of this section may seize any
24 prohibited device, prohibited substance, or other
25 contraband discovered during the search.

26 Revised Law

27 Sec. 2033.019. PROSECUTION. A person subject to
28 prosecution for an offense under this subtitle and another law may
29 be prosecuted under either law. (V.A.C.S. Art. 179e, Sec. 14.19.)

30 Source Law

31 Sec. 14.19. A person who is subject to
32 prosecution for a penal offense under this Act and
33 another law may be prosecuted under either law.

34 Revised Law

35 Sec. 2033.020. VENUE FOR PROSECUTION. Venue for the
36 prosecution of an offense under this subtitle is in Travis County or
37 in a county in which an element of the offense occurred. (V.A.C.S.
38 Art. 179e, Sec. 14.21.)

39 Source Law

40 Sec. 14.21. The venue for the prosecution of a
41 criminal offense under this Act is in Travis County or
42 in a county where an element of the offense occurred.

43 Revised Law

44 Sec. 2033.021. COMMISSION AUTHORITY. This subchapter does
45 not restrict the commission's administrative authority to enforce
46 this subtitle or commission rules to the fullest extent authorized
47 by this subtitle. (V.A.C.S. Art. 179e, Sec. 14.20.)

1 issue a preliminary report that states:

2 (1) the facts on which the conclusion is based;

3 (2) the fact that an administrative penalty is to be
4 imposed; and

5 (3) the amount of the penalty to be assessed.

6 (b) Not later than the 10th day after the date on which the
7 commission issues the preliminary report, the commission shall send
8 a copy of the report to the person charged with the violation,
9 together with a statement of the right of the person to a hearing
10 relating to the alleged violation and the amount of the penalty.
11 (V.A.C.S. Art. 179e, Sec. 15.03(c).)

12 Source Law

13 (c) If, after examination of a possible
14 violation and the facts relating to that possible
15 violation, the commission determines that a violation
16 has occurred, the commission shall issue a preliminary
17 report that states the facts on which the conclusion is
18 based, the fact that an administrative penalty is to be
19 imposed, and the amount to be assessed. Not later than
20 the 10th day after the date on which the commission
21 issues the preliminary report, the commission shall
22 send a copy of the report to the person charged with
23 the violation, together with a statement of the right
24 of the person to a hearing relating to the alleged
25 violation and the amount of the penalty.

26 Revised Law

27 Sec. 2033.054. PENALTY TO BE PAID OR HEARING REQUESTED. (a)
28 Not later than the 20th day after the date on which the commission
29 sends the preliminary report under Section 2033.053, the person
30 charged may:

31 (1) make a written request for a hearing; or

32 (2) remit the amount of the administrative penalty to
33 the commission.

34 (b) Failure to request a hearing or to remit the amount of
35 the administrative penalty in the period provided under this
36 section results in a waiver of a right to a hearing under this
37 subtitle. (V.A.C.S. Art. 179e, Sec. 15.03(d) (part).)

38 Source Law

39 (d) Not later than the 20th day after the date on
40 which the commission sends the preliminary report, the
41 person charged may make a written request for a hearing

1 or may remit the amount of the administrative penalty
2 to the commission. Failure to request a hearing or to
3 remit the amount of the administrative penalty within
4 the period prescribed by this subsection results in a
5 waiver of a right to a hearing under this Act. . . .

6 Revised Law

7 Sec. 2033.055. HEARING. (a) If the person charged requests
8 a hearing, the hearing shall be conducted in the manner provided for
9 a contested case hearing under Chapter 2001, Government Code.

10 (b) If it is determined after the hearing that the person
11 has committed the alleged violation, the commission shall:

12 (1) provide written notice to the person of the
13 findings established by the hearing and the amount of the penalty;
14 and

15 (2) enter an order requiring the person to pay the
16 penalty. (V.A.C.S. Art. 179e, Sec. 15.03(d) (part).)

17 Source Law

18 (d) . . . If the person charged requests a
19 hearing, the hearing shall be conducted in the manner
20 provided for a contested case hearing under the
21 Administrative Procedure and Texas Register Act
22 (Article 6252-13a, Vernon's Texas Civil Statutes). If
23 it is determined after the hearing that the person has
24 committed the alleged violation, the commission shall
25 give written notice to the person of the findings
26 established by the hearing and the amount of the
27 penalty and shall enter an order requiring the person
28 to pay the penalty.

29 Revisor's Note

30 Section 15.03(d), V.A.C.S. Article 179e, refers
31 to "the Administrative Procedure and Texas Register
32 Act (Article 6252-13a, Vernon's Texas Civil
33 Statutes)." The administrative procedure sections of
34 that statute were codified in 1993 as Chapter 2001,
35 Government Code. Throughout this chapter, the revised
36 law is drafted accordingly.

37 Revised Law

38 Sec. 2033.056. OPTIONS FOLLOWING DECISION: PAY OR APPEAL.

39 (a) Not later than the 30th day after the date on which the notice
40 required under Section 2033.055 is received, the person charged
41 shall pay the administrative penalty in full or exercise the right

1 to appeal either the amount of the penalty or the fact of the
2 violation.

3 (b) If a person exercises a right of appeal either as to the
4 amount of the penalty or the fact of the violation, the amount of
5 the penalty is not required to be paid until the 30th day after the
6 date on which all appeals have been exhausted and the commission's
7 decision has been upheld.

8 (c) Except as otherwise provided by Section 2024.053(c),
9 all administrative appeals are to the commission and then to the
10 courts. (V.A.C.S. Art. 179e, Secs. 4.05(b) (part), 15.03(e).)

11 Source Law

12 [Sec. 4.05]

13 (b) . . . All other administrative appeals
14 shall be to the commission and then to the courts.

15 [Sec. 15.03]

16 (e) Not later than the 30th day after the date on
17 which the notice is received, the person charged shall
18 pay the administrative penalty in full or exercise the
19 right to appeal either the amount of the penalty or the
20 fact of the violation. If a person exercises a right
21 of appeal either as to the amount of the penalty or the
22 fact of the violation, the amount of the penalty is not
23 required to be paid until the 30th day after the date
24 on which all appeals have been exhausted and the
25 commission's decision has been upheld.

26 Revisor's Note

27 Section 4.05(b), V.A.C.S. Article 179e, provides
28 that "[a]ll other administrative appeals shall be to
29 the commission and then to the courts." For the
30 convenience of the reader, the revised law adds an
31 exception to that provision to clarify that some
32 administrative appeals, in the context of racing, are
33 not to the commission. Section 4.05(b), V.A.C.S.
34 Article 179e, revised in part in this subtitle as
35 Section 2024.053(c), provides that certain
36 administrative appeals related to the state's share of
37 the pari-mutuel pool are to the comptroller, then the
38 courts.

39 Revised Law

40 Sec. 2033.057. COMPLAINTS. (a) A complaint alleging a

1 violation of this subtitle may be instituted by the Department of
2 Public Safety, the commission, or the attorney general.

3 (b) The complaint must be decided by the commission under
4 the contested case provisions of Chapter 2001, Government Code.
5 (V.A.C.S. Art. 179e, Sec. 15.04.)

6 Source Law

7 Sec. 15.04. Complaints alleging violations of
8 this Act may be instituted by the Department of Public
9 Safety, the commission, or the attorney general. Such
10 complaints shall be adjudicated by the commission
11 pursuant to the provisions for a contested case
12 proceeding under the Administrative Procedure and
13 Texas Register Act (Article 6252-13a, Vernon's Texas
14 Civil Statutes).

15 SUBCHAPTER C. CEASE AND DESIST ORDERS

16 Revised Law

17 Sec. 2033.101. CEASE AND DESIST ORDER. (a) The executive
18 director may issue a cease and desist order if the executive
19 director reasonably believes a racetrack association or other
20 license holder is engaging or is likely to engage in conduct that
21 violates this subtitle or a commission rule.

22 (b) On issuance of a cease and desist order, the executive
23 director shall serve a proposed cease and desist order on the
24 racetrack association or other license holder by personal delivery
25 or registered or certified mail, return receipt requested, to the
26 person's last known address.

27 (c) The proposed order must state the specific acts or
28 practices alleged to violate this subtitle or a commission rule.
29 The proposed order must state the effective date, which may not be
30 earlier than the 21st day after the date the proposed order is
31 mailed or delivered. (V.A.C.S. Art. 179e, Secs. 3.18(a), (b)
32 (part).)

33 Source Law

34 Sec. 3.18. (a) The executive secretary may
35 issue a cease and desist order if the executive
36 secretary reasonably believes an association or other
37 licensee is engaging or is likely to engage in conduct
38 that violates this Act or a commission rule.

39 (b) On issuance of a cease and desist order, the
40 executive secretary shall serve on the association or
41 other licensee by personal delivery or registered or

1 certified mail, return receipt requested, to the
2 person's last known address, a proposed cease and
3 desist order. The proposed order must state the
4 specific acts or practices alleged to violate this Act
5 or a commission rule. The proposed order must state
6 its effective date. The effective date may not be
7 before the 21st day after the date the proposed order
8 is mailed or delivered. . . .

9 Revised Law

10 Sec. 2033.102. HEARING CONCERNING PROPOSED CEASE AND DESIST
11 ORDER; FINAL ORDER. (a) If the person against whom a proposed
12 cease and desist order is directed requests, in writing, a hearing
13 before the effective date of the proposed order, the order is
14 automatically stayed pending final adjudication of the order.
15 Unless the person against whom the proposed order is directed
16 requests, in writing, a hearing before the effective date of the
17 proposed order, the order takes effect and is final and
18 nonappealable as to that person.

19 (b) On receiving a request for a hearing, the executive
20 director shall serve notice of the time and place of the hearing by
21 personal delivery or registered or certified mail, return receipt
22 requested.

23 (c) At a hearing, the commission has the burden of proof and
24 must present evidence in support of the order. Each person against
25 whom the order is directed may cross-examine and show cause why the
26 order should not be issued.

27 (d) After the hearing, the commission shall issue or decline
28 to issue a cease and desist order. The proposed order may be
29 modified as necessary to conform to the findings at the hearing. An
30 order issued under this section is final for purposes of
31 enforcement and appeal and must require the person to immediately
32 cease and desist from the conduct that violates this subtitle or a
33 commission rule. (V.A.C.S. Art. 179e, Secs. 3.18(b) (part), (c),
34 (d).)

35 Source Law

36 (b) . . . If the person against whom the
37 proposed order is directed requests, in writing, a
38 hearing before the effective date of the proposed
39 order, the order is automatically stayed pending final
40 adjudication of the order. Unless the person against

1 whom the proposed order is directed requests, in
2 writing, a hearing before the effective date of the
3 proposed order, the order takes effect and is final and
4 nonappealable as to that person.

5 (c) On receiving a request for a hearing, the
6 executive secretary shall serve notice of the time and
7 place of the hearing by personal delivery or
8 registered or certified mail, return receipt
9 requested. At a hearing, the commission has the burden
10 of proof and must present evidence in support of the
11 order. Each person against whom the order is directed
12 may cross-examine and show cause why the order should
13 not be issued.

14 (d) After the hearing, the commission shall
15 issue or decline to issue a cease and desist order.
16 The proposed order may be modified as necessary to
17 conform to the findings at the hearing. An order
18 issued under this section is final for purposes of
19 enforcement and appeal and shall require the person to
20 immediately cease and desist from the conduct that
21 violates this Act or a commission rule.

22 Revised Law

23 Sec. 2033.103. PETITION FOR JUDICIAL REVIEW OF CEASE AND
24 DESIST ORDER. (a) A person affected by a cease and desist order
25 issued, affirmed, or modified after a hearing under Section
26 2033.102 may file a petition for judicial review in a district court
27 of Travis County under Chapter 2001, Government Code.

28 (b) A petition for judicial review does not stay or vacate
29 the cease and desist order unless the court, after hearing,
30 specifically stays or vacates the order. (V.A.C.S. Art. 179e, Sec.
31 3.18(e).)

32 Source Law

33 (e) A person affected by a cease and desist
34 order issued, affirmed, or modified after a hearing
35 may file a petition for judicial review in a district
36 court of Travis County under Chapter 2001, Government
37 Code. A petition for judicial review does not stay or
38 vacate the order unless the court, after hearing,
39 specifically stays or vacates the order.

40 Revised Law

41 Sec. 2033.104. EMERGENCY CEASE AND DESIST ORDER. (a) The
42 executive director may issue an emergency cease and desist order if
43 the executive director reasonably believes a racetrack association
44 or other license holder is engaged in a continuing activity that
45 violates this subtitle or a commission rule in a manner that
46 threatens immediate and irreparable public harm.

47 (b) After issuing an emergency cease and desist order, the

1 executive director shall serve on the racetrack association or
2 other license holder by personal delivery or registered or
3 certified mail, return receipt requested, to the person's last
4 known address, an order stating the specific charges and requiring
5 the person immediately to cease and desist from the conduct that
6 violates this subtitle or a commission rule. The order must contain
7 a notice that a request for hearing may be filed under this section.
8 (V.A.C.S. Art. 179e, Secs. 3.19(a), (b).)

9 Source Law

10 Sec. 3.19. (a) The executive secretary may
11 issue an emergency cease and desist order if the
12 executive secretary reasonably believes an
13 association or other licensee is engaged in a
14 continuing activity that violates this Act or a
15 commission rule in a manner that threatens immediate
16 and irreparable public harm.

17 (b) After issuing an emergency cease and desist
18 order, the executive secretary shall serve on the
19 association or other licensee by personal delivery or
20 registered or certified mail, return receipt
21 requested, to the person's last known address, an order
22 stating the specific charges and requiring the person
23 immediately to cease and desist from the conduct that
24 violates this Act or a commission rule. The order must
25 contain a notice that a request for hearing may be
26 filed under this section.

27 Revised Law

28 Sec. 2033.105. HEARING CONCERNING EMERGENCY CEASE AND
29 DESIST ORDER; FINAL ORDER. (a) A racetrack association or other
30 license holder that is the subject of an emergency cease and desist
31 order may request a hearing. The request must:

32 (1) be filed with the executive director not later
33 than the 10th day after the date the order was received or
34 delivered;

35 (2) be in writing and directed to the executive
36 director; and

37 (3) state the grounds for the request to set aside or
38 modify the order.

39 (b) Unless a person who is the subject of the emergency
40 order requests a hearing in writing before the 11th day after the
41 date the order is received or delivered, the emergency order is
42 final and nonappealable as to that person.

1 (c) On receiving a request for a hearing, the executive
2 director shall serve notice of the time and place of the hearing by
3 personal delivery or registered or certified mail, return receipt
4 requested. The hearing must be held not later than the 10th day
5 after the date the executive director receives the request for a
6 hearing unless the parties agree to a later hearing date.

7 (d) At the hearing, the commission has the burden of proof
8 and must present evidence in support of the order. The person
9 requesting the hearing may cross-examine witnesses and show cause
10 why the order should not be affirmed. Section 2003.021(b),
11 Government Code, does not apply to hearings conducted under this
12 section.

13 (e) An emergency cease and desist order continues in effect
14 unless the order is stayed by the executive director. The executive
15 director may impose any condition before granting a stay of the
16 order.

17 (f) After the hearing, the executive director shall affirm,
18 modify, or set aside, wholly or partly, the emergency cease and
19 desist order. An order affirming or modifying the emergency cease
20 and desist order is final for purposes of enforcement and appeal.
21 (V.A.C.S. Art. 179e, Secs. 3.19(c), (d), (e), (f).)

22 Source Law

23 (c) An association or other licensee that is the
24 subject of an emergency cease and desist order may
25 request a hearing. The request must be filed with the
26 executive secretary not later than the 10th day after
27 the date the order was received or delivered. A
28 request for a hearing must be in writing and directed
29 to the executive secretary and must state the grounds
30 for the request to set aside or modify the order.
31 Unless a person who is the subject of the emergency
32 order requests a hearing in writing before the 11th day
33 after the date the order is received or delivered, the
34 emergency order is final and nonappealable as to that
35 person.

36 (d) On receiving a request for a hearing, the
37 executive secretary shall serve notice of the time and
38 place of the hearing by personal delivery or
39 registered or certified mail, return receipt
40 requested. The hearing must be held not later than the
41 10th day after the date the executive secretary
42 receives the request for a hearing unless the parties
43 agree to a later hearing date. At the hearing, the
44 commission has the burden of proof and must present
45 evidence in support of the order. The person

1 requesting the hearing may cross-examine witnesses and
2 show cause why the order should not be affirmed.
3 Section 2003.021(b), Government Code, does not apply
4 to hearings conducted under this section.

5 (e) An emergency cease and desist order
6 continues in effect unless the order is stayed by the
7 executive secretary. The executive secretary may
8 impose any condition before granting a stay of the
9 order.

10 (f) After the hearing, the executive secretary
11 shall affirm, modify, or set aside in whole or part the
12 emergency cease and desist order. An order affirming
13 or modifying the emergency cease and desist order is
14 final for purposes of enforcement and appeal.

15 Revised Law

16 Sec. 2033.106. VIOLATION OF FINAL CEASE AND DESIST ORDER.

17 (a) If the executive director reasonably believes that a person has
18 violated a final and enforceable cease and desist order, the
19 executive director may:

20 (1) initiate administrative penalty proceedings under
21 Subchapter B;

22 (2) refer the matter to the attorney general for
23 enforcement by injunction and any other available remedy; or

24 (3) pursue any other action that the executive
25 director considers appropriate, including suspension of the
26 person's license.

27 (b) If the attorney general prevails in an action brought
28 under Subsection (a)(2), the attorney general is entitled to
29 recover reasonable attorney's fees. (V.A.C.S. Art. 179e, Sec.
30 3.20.)

31 Source Law

32 Sec. 3.20. (a) If the executive secretary
33 reasonably believes that a person has violated a final
34 and enforceable cease and desist order, the executive
35 secretary may:

36 (1) initiate administrative penalty
37 proceedings under Article 15 of this Act;

38 (2) refer the matter to the attorney
39 general for enforcement by injunction and any other
40 available remedy; or

41 (3) pursue any other action, including
42 suspension of the person's license, that the executive
43 secretary considers appropriate.

44 (b) If the attorney general prevails in an
45 action brought under Subsection (a)(2) of this
46 section, the attorney general is entitled to recover
47 reasonable attorney's fees.

1 SUBCHAPTER D. OTHER DISCIPLINARY POWERS

2 Revised Law

3 Sec. 2033.151. DISCIPLINARY ACTIONS. (a) The commission
4 shall revoke, suspend, or refuse to renew a license, place on
5 probation a person whose license has been suspended, or reprimand a
6 license holder for a violation of this subtitle or a commission
7 rule.

8 (b) If a license suspension is probated, the commission may
9 require the license holder to report regularly to the commission on
10 matters that are the basis of the probation. (V.A.C.S. Art. 179e,
11 Sec. 3.14.)

12 Source Law

13 Sec. 3.14. The commission shall revoke,
14 suspend, or refuse to renew a license, place on
15 probation a person whose license has been suspended,
16 or reprimand a licensee for a violation of this Act or
17 a rule of the commission. If a license suspension is
18 probated, the commission may require the licensee to
19 report regularly to the commission on matters that are
20 the basis of the probation.

21 Revised Law

22 Sec. 2033.152. HEARING CONCERNING SUSPENSION, REVOCATION,
23 OR REFUSAL TO RENEW LICENSE. (a) If the commission proposes to
24 suspend, revoke, or refuse to renew a person's license, the person
25 is entitled to a hearing conducted by the State Office of
26 Administrative Hearings.

27 (b) Proceedings for a disciplinary action, other than those
28 conducted by a steward or judge, are governed by Chapter 2001,
29 Government Code.

30 (c) Rules of practice adopted by the commission under
31 Section 2001.004, Government Code, applicable to the proceedings
32 for a disciplinary action, other than those conducted by a steward
33 or judge, may not conflict with rules adopted by the State Office of
34 Administrative Hearings. (V.A.C.S. Art. 179e, Sec. 3.15.)

35 Source Law

36 Sec. 3.15. If the commission proposes to
37 suspend, revoke, or refuse to renew a person's license,
38 the person is entitled to a hearing conducted by the
39 State Office of Administrative Hearings. Proceedings

1 for a disciplinary action, other than those conducted
2 by racing stewards or judges, are governed by Chapter
3 2001, Government Code. Rules of practice adopted by
4 the commission under Section 2001.004, Government
5 Code, applicable to the proceedings for a disciplinary
6 action, other than those conducted by racing stewards
7 or judges, may not conflict with rules adopted by the
8 State Office of Administrative Hearings.

9 Revisor's Note

10 Section 3.15, V.A.C.S. Article 179e, refers to
11 proceedings conducted by "racing" stewards or judges.
12 The revised law omits the term "racing" as duplicative
13 of the definitions for "steward" and "judge" under
14 Sections 1.03(35) and (53), V.A.C.S. Article 179e,
15 revised in this subtitle as Sections 2021.003(49) and
16 (22), respectively, which describe each person as a
17 "racing official."

18 Revised Law

19 Sec. 2033.153. INJUNCTION. The commission may institute an
20 action in its own name to enjoin the violation of this subtitle. An
21 action for an injunction is in addition to any other action,
22 proceeding, or remedy authorized by law. (V.A.C.S. Art. 179e, Sec.
23 3.21.)

24 Source Law

25 Sec. 3.21. The commission may institute an
26 action in its own name to enjoin the violation of this
27 Act. An action for an injunction is in addition to any
28 other action, proceeding, or remedy authorized by law.

29 Revised Law

30 Sec. 2033.154. ENFORCEMENT REGARDING HORSEMEN'S ACCOUNT.

31 (a) The commission by rule shall develop a system for monitoring
32 the activities of managers and employees of a racetrack association
33 relating to the horsemen's account. The monitoring system may
34 include review of the financial operations of the racetrack
35 association, including inspections of records at the racetrack
36 association's offices, at any racetrack, or at any other place the
37 racetrack association transacts business.

38 (b) The executive director may issue an order prohibiting
39 the racetrack association from making any transfer from a bank

1 account held by the racetrack association for the conduct of
2 business under this subtitle, pending commission review of the
3 records of the account, if the executive director reasonably
4 believes that the racetrack association has failed to maintain the
5 proper amount of money in the horsemen's account. The executive
6 director shall provide in the order a procedure for the racetrack
7 association to pay certain expenses necessary for the operation of
8 the racetrack, subject to the executive director's approval.

9 (c) An order issued under this section may be made valid for
10 a period not to exceed 14 days.

11 (d) The executive director may issue an order requiring the
12 appropriate transfers to or from the horsemen's account if, after
13 reviewing the racetrack association's records of its bank accounts,
14 the executive director determines there is an improper amount of
15 money in the horsemen's account. (V.A.C.S. Art. 179e, Sec. 3.22.)

16 Source Law

17 Sec. 3.22. (a) The commission, by rule, shall
18 develop a system for monitoring the activities of
19 managers and employees of an association relating to
20 the horsemen's account. The monitoring system may
21 include review of the financial operations of the
22 association, including inspections of records at the
23 association's offices, at any racetrack, or at any
24 other place the association transacts business.

25 (b) The executive secretary may issue an order
26 prohibiting the association from making any transfer
27 from a bank account held by the association for the
28 conduct of its business under this Act, pending
29 commission review of the records of the account, if the
30 executive secretary reasonably believes that the
31 association has failed to maintain the proper amount
32 of money in the horsemen's account. The executive
33 secretary shall provide in the order a procedure for
34 the association to pay certain expenses necessary for
35 the operation of the racetrack, subject to the
36 executive secretary's approval. An order issued under
37 this section may be made valid for a period not to
38 exceed 14 days.

39 (c) The executive secretary may issue an order
40 requiring the appropriate transfers to or from the
41 horsemen's account if, after reviewing the
42 association's records of its bank accounts, the
43 executive secretary determines there is an improper
44 amount of money in the horsemen's account.

45 CHAPTER 2034. UNLAWFUL INFLUENCE ON RACING

46 Sec. 2034.001. RULES RELATING TO UNLAWFUL INFLUENCES

47 ON RACING AND REQUIRED TESTING 238

1 Sec. 2034.002. MEDICATION AND DRUG TESTING PROCEDURES 239
2 Sec. 2034.003. CHARGES FOR MEDICATION OR DRUG TESTING 239
3 Sec. 2034.004. RESPONSIBILITY OF LICENSED TRAINER
4 CONCERNING PROHIBITED SUBSTANCE 241
5 Sec. 2034.005. PROHIBITED SUBSTANCE IN TEST SAMPLE OR
6 SPECIMEN 241
7 Sec. 2034.006. DISCIPLINARY ACTION FOR PROHIBITED
8 DEVICE OR SUBSTANCE 242
9 Sec. 2034.007. DISCIPLINARY ACTION FOR RULE VIOLATION
10 OF PROHIBITED DEVICE OR SUBSTANCE 243

11 CHAPTER 2034. UNLAWFUL INFLUENCE ON RACING

12 Revised Law

13 Sec. 2034.001. RULES RELATING TO UNLAWFUL INFLUENCES ON
14 RACING AND REQUIRED TESTING. (a) The commission shall adopt rules
15 prohibiting a person from unlawfully influencing or affecting the
16 outcome of a race, including rules relating to the use of a
17 prohibited device or prohibited substance at a racetrack or at a
18 training facility.

19 (b) The commission shall require testing to determine
20 whether a prohibited substance has been used.

21 (c) The commission's rules must require state-of-the-art
22 testing methods. The testing may:

23 (1) be prerace or postrace as determined by the
24 commission; and

25 (2) be by an invasive or noninvasive method.

26 (d) The commission shall adopt rules relating to the drug
27 testing of license holders. (V.A.C.S. Art. 179e, Secs. 3.16(a),
28 (b), (i).)

29 Source Law

30 Sec. 3.16. (a) The commission shall adopt rules
31 prohibiting a person from unlawfully influencing or
32 affecting the outcome of a race, including rules
33 relating to the use of a prohibited device or
34 prohibited substance at a racetrack or training
35 facility.

36 (b) The commission shall require testing to
37 determine whether a prohibited substance has been
38 used. The testing may be prerace or postrace as

1 determined by the commission. The testing may be by
2 an invasive or noninvasive method. The commission's
3 rules shall require state-of-the-art testing methods.

4 (i) The commission shall adopt rules relating to
5 the drug testing of licensees.

6 Revised Law

7 Sec. 2034.002. MEDICATION AND DRUG TESTING PROCEDURES. (a)
8 Medication or drug testing performed on a race animal under this
9 subtitle must be conducted by:

10 (1) the Texas A&M Veterinary Medical Diagnostic
11 Laboratory; or

12 (2) a laboratory operated by or in conjunction with or
13 by a private or public agency selected by the commission after
14 consultation with the Texas A&M Veterinary Medical Diagnostic
15 Laboratory.

16 (b) Medication or drug testing performed on a human under
17 this subtitle must be conducted by a laboratory approved by the
18 commission. (V.A.C.S. Art. 179e, Sec. 3.07(d) (part).)

19 Source Law

20 (d) Medication or drug testing performed on a
21 race animal under this Act shall be conducted by the
22 Texas Veterinary Medical Diagnostic Laboratory or by a
23 laboratory operated by or in conjunction with or by a
24 private or public agency selected by the commission
25 after consultation with the Texas Veterinary Medical
26 Diagnostic Laboratory. Medication or drug testing
27 performed on a human under this Act shall be conducted
28 by a laboratory approved by the commission. . . .

29 Revisor's Note

30 Section 3.07(d), V.A.C.S. Article 179e, refers to
31 the "Texas Veterinary Medical Diagnostic Laboratory."
32 The revised law substitutes the current name for this
33 laboratory, the "Texas A&M Veterinary Medical
34 Diagnostic Laboratory."

35 Revised Law

36 Sec. 2034.003. CHARGES FOR MEDICATION OR DRUG TESTING.

37 (a) The commission by rule shall:

38 (1) prescribe procedures for approving and paying
39 medical and drug testing laboratory charges under this section; and

40 (2) allocate responsibility for the costs of human

1 drug testing of a license holder.

2 (b) The racetrack association that receives medication or
3 drug testing services conducted under this subtitle shall pay the
4 reasonable charges associated with those services.

5 (c) Charges for services performed under this section must
6 be forwarded to the commission for approval of the reasonableness
7 of the charges. Charges may include expenses incurred for travel,
8 lodging, testing, and processing of test results.

9 (d) The commission shall determine whether the laboratory
10 charges are reasonable in relation to industry standards by
11 periodically surveying the drug testing charges of comparable
12 laboratories in the United States.

13 (e) The racetrack association that receives the services is
14 responsible for the cost of approved charges for animal drug
15 testing services under this section. The commission shall forward a
16 copy of the charges to the racetrack association for immediate
17 payment.

18 (f) To pay the charges associated with the medication or
19 drug testing, a racetrack association may use the money held by the
20 racetrack association to pay outstanding tickets and pari-mutuel
21 vouchers. The racetrack association shall pay any additional
22 amount needed for the charges. (V.A.C.S. Art. 179e, Secs. 3.07(d)
23 (part), (e), (f).)

24 Source Law

25 (d) . . . Charges for services performed under
26 this section shall be forwarded to the commission for
27 approval as to the reasonableness of the charges for
28 the services. Charges may include but are not limited
29 to expenses incurred for travel, lodging, testing, and
30 processing of test results. The reasonable charges
31 associated with medication or drug testing conducted
32 under this Act shall be paid by the association that
33 receives the services. The commission shall adopt
34 rules for the procedures for approving and paying
35 laboratory charges under this section. The commission
36 shall determine whether the laboratory charges are
37 reasonable in relation to industry standards by
38 periodically surveying the drug testing charges of
39 comparable laboratories in the United States. The
40 commission shall forward a copy of the charges to the
41 association that receives the services for immediate
42 payment.

43 (e) To pay the charges associated with the

1 medication or drug testing, an association may use the
2 money held by the association to pay outstanding
3 tickets and pari-mutuel vouchers. If additional
4 amounts are needed to pay the charges, the association
5 shall pay those additional amounts.

6 (f) The association is responsible for the cost
7 of approved charges for animal drug testing services
8 under this section. The commission shall adopt rules
9 to allocate responsibility for the costs of human drug
10 testing of a licensee.

11 Revisor's Note

12 Section 3.07(d), V.A.C.S. Article 179e, provides
13 that charges may include "but are not limited to"
14 certain expenses. The revised law omits "but are not
15 limited to" as unnecessary because Section
16 311.005(13), Government Code (Code Construction Act),
17 applicable to the revised law, provides that
18 "includes" and "including" are terms of enlargement
19 and not of limitation and do not create a presumption
20 that components not expressed are excluded.

21 Revised Law

22 Sec. 2034.004. RESPONSIBILITY OF LICENSED TRAINER
23 CONCERNING PROHIBITED SUBSTANCE. The licensed trainer of an
24 animal is:

25 (1) considered by law to be the absolute insurer that
26 no prohibited substance has been administered to the animal; and

27 (2) responsible for ensuring that no prohibited
28 substance is administered to the animal. (V.A.C.S. Art. 179e, Sec.
29 3.16(h).)

30 Source Law

31 (h) The licensed trainer of an animal is:

32 (1) considered by law to be the absolute
33 insurer that no prohibited substance has been
34 administered to the animal; and

35 (2) responsible for ensuring that no
36 prohibited substance is administered to the animal.

37 Revised Law

38 Sec. 2034.005. PROHIBITED SUBSTANCE IN TEST SAMPLE OR
39 SPECIMEN. (a) The commission may require urine samples to be
40 frozen for a period necessary to allow any follow-up testing to
41 detect and identify a prohibited substance. Any other specimen

1 shall be maintained for testing purposes in a manner required by
2 commission rule.

3 (b) If a test sample or specimen shows the presence of a
4 prohibited substance, the entire sample, including any split
5 portion remaining in the custody of the commission, shall be
6 maintained until final disposition of the matter.

7 (c) A license holder whose animal test shows the presence of
8 a prohibited substance is entitled to have a split portion of the
9 test sample or specimen tested at a testing facility authorized to
10 perform drug testing under this subtitle and selected by the
11 license holder. The commission shall adopt rules relating to split
12 testing procedures. (V.A.C.S. Art. 179e, Secs. 3.16(e), (f), (g).)

13 Source Law

14 (e) The commission may require urine samples to
15 be frozen for a period necessary to allow any follow-up
16 testing to detect and identify a prohibited substance.
17 Any other specimen shall be maintained for testing
18 purposes in a manner required by commission rule.

19 (f) If a test sample or specimen shows the
20 presence of a prohibited substance, the entire sample,
21 including any split portion remaining in the custody
22 of the commission, shall be maintained until final
23 disposition of the matter.

24 (g) A licensee whose animal test shows the
25 presence of a prohibited substance is entitled to have
26 a split portion of the test sample or specimen tested
27 at a testing facility authorized to perform drug
28 testing under this Act and selected by the licensee.
29 The commission shall adopt rules relating to split
30 testing procedures.

31 Revised Law

32 Sec. 2034.006. DISCIPLINARY ACTION FOR PROHIBITED DEVICE OR
33 SUBSTANCE. (a) Following the discovery of a prohibited device or
34 a return of a test showing the presence of a prohibited substance, a
35 steward or judge may summarily suspend a person who has used or
36 administered the prohibited device or prohibited substance until a
37 hearing before the stewards or judges. The steward or judge may
38 also disqualify an animal as provided by a commission rule adopted
39 under this chapter.

40 (b) Except as otherwise provided, a person may appeal a
41 ruling of the stewards or judges to the commission. The commission
42 may stay a suspension during the period the matter is before the

1 commission. (V.A.C.S. Art. 179e, Secs. 3.16(c), (d).)

2 Source Law

3 (c) Following the discovery of a prohibited
4 device or a return of a test showing the presence of a
5 prohibited substance, a steward or judge may summarily
6 suspend a person who has used or administered the
7 prohibited device or prohibited substance until a
8 hearing before the stewards and judges. The steward or
9 judge may also disqualify an animal as provided by a
10 commission rule adopted under this section.

11 (d) Except as otherwise provided, a person may
12 appeal a ruling of the stewards or judges to the
13 commission. The commission may stay a suspension
14 during the period the matter is before the commission.

15 Revised Law

16 Sec. 2034.007. DISCIPLINARY ACTION FOR RULE VIOLATION OF
17 PROHIBITED DEVICE OR SUBSTANCE. A person who violates a rule
18 adopted under this chapter may:

19 (1) have any license issued to the person by the
20 commission revoked or suspended; or

21 (2) be barred for life or any other period from
22 applying for or receiving a license issued by the commission or
23 entering any portion of a racetrack. (V.A.C.S. Art. 179e, Sec.
24 3.16(j).)

25 Source Law

26 (j) A person who violates a rule adopted under
27 this section may:

28 (1) have any license issued to the person
29 by the commission revoked or suspended; or

30 (2) be barred for life or any other period
31 from applying for or receiving a license issued by the
32 commission or entering any portion of a racetrack
33 facility.

34 Revisor's Note

35 Section 3.16(j), V.A.C.S. Article 179e, refers to
36 a "racetrack facility." The revised law substitutes
37 "racetrack" for "racetrack facility" for the reasons
38 stated in Revisor's Note (19) to Section 2021.003.

39 CHAPTER 2035. LOCAL OPTION ELECTION TO LEGALIZE PARI-MUTUEL

40 WAGERING

41 SUBCHAPTER A. LEGALIZATION ELECTION

42 Sec. 2035.001. VOTER APPROVAL OF RACETRACK REQUIRED 245

43 Sec. 2035.002. INITIATION OF LEGALIZATION ELECTION 246

1 SUBCHAPTER A. LEGALIZATION ELECTION

2 Revised Law

3 Sec. 2035.001. VOTER APPROVAL OF RACETRACK REQUIRED. (a)
4 The commission may not issue a racetrack license or accept a license
5 application for a racetrack to be located in a county until the
6 commissioners court has certified to the secretary of state that
7 the qualified voters of the county have approved the legalization
8 of pari-mutuel wagering on horse races or greyhound races in the
9 county at an election held under this chapter.

10 (b) A racetrack may not be located within a home-rule
11 municipality unless a majority of the votes cast in the
12 municipality in the election held under this chapter that legalized
13 pari-mutuel wagering on horse races in the county favored
14 legalization.

15 (c) Subsection (b) does not apply to a racetrack that:

16 (1) was located outside the boundaries of the
17 municipality when the racetrack was first licensed; and

18 (2) has continuously held a license since the issuance
19 of the original license. (V.A.C.S. Art. 179e, Secs. 16.01(a)
20 (part), (b).)

21 Source Law

22 Sec. 16.01. (a) The commission shall not issue
23 a racetrack license or accept an application for a
24 license for a racetrack to be located in a county until
25 the commissioners court has certified to the secretary
26 of state that the qualified voters of the county have
27 approved the legalization of pari-mutuel wagering on
28 horse races or greyhound races in the county at an
29 election held under this article. . . .

30 (b) A racetrack may not be located within a
31 home-rule city unless a majority of the votes cast in
32 the city in the election held under this article that
33 legalized pari-mutuel wagering on horse races in the
34 county were in favor of legalization. This subsection
35 does not apply to a licensed racetrack that was located
36 outside the boundaries of the city when it was first
37 licensed and has continuously held a license since the
38 original license was issued.

39 Revisor's Note

40 (1) Section 16.01(a), V.A.C.S. Article 179e,
41 provides that certain elections may not be held before
42 January 1, 1987. The revised law omits that provision

1 as executed. The omitted law reads:

2 (a) . . . A local option election may
3 not be held under this article before
4 January 1, 1987.

5 (2) Section 16.01(b), V.A.C.S. Article 179e,
6 refers to a "city." The revised law substitutes the
7 term "municipality" for "city" because that is the
8 term used in the Local Government Code.

9 (3) Section 16.01(b), V.A.C.S. Article 179e,
10 refers to a "licensed racetrack." The revised law
11 omits "licensed" because that term is included in the
12 definition of "racetrack" under Section 1.03(25),
13 V.A.C.S. Article 179e, revised in this subtitle as
14 Section 2021.003(41).

15 Revised Law

16 Sec. 2035.002. INITIATION OF LEGALIZATION ELECTION. The
17 commissioners court:

18 (1) may, on its own motion by a majority vote of its
19 members, order an election to approve the legalization of
20 pari-mutuel wagering on horse races or greyhound races; and

21 (2) shall order an election on presentation of a
22 petition meeting the requirements of this chapter. (V.A.C.S.
23 Art. 179e, Sec. 16.02.)

24 Source Law

25 Sec. 16.02. The commissioners court on its own
26 motion by a majority vote of its members may order an
27 election to approve the legalization of pari-mutuel
28 wagering on horse races or greyhound races, and it
29 shall order an election on presentation of a petition
30 meeting the requirements of this article.

31 Revised Law

32 Sec. 2035.003. ELECTION TO APPROVE WAGERING ON SIMULCAST
33 RACES. The commissioners court of a county in which a racetrack is
34 conducting live racing may, on its own motion by a majority vote of
35 its members, order an election to approve pari-mutuel wagering on
36 simulcast horse races or greyhound races. (V.A.C.S. Art. 179e,
37 Sec. 16.021.)

1 and voter registration certificate number of each applicant.
2 (V.A.C.S. Art. 179e, Sec. 16.04.)

3 Source Law

4 Sec. 16.04. To be valid, an application must
5 contain:

6 (1) a heading, in the following words:
7 "Application for a Petition for a Local Option
8 Election to Approve the Legalization of Pari-mutuel
9 Wagering on Horse Races" or "Application for a
10 Petition for a Local Option Election to Approve the
11 Legalization of Pari-mutuel Wagering on Greyhound
12 Races," as appropriate;

13 (2) a statement of the issue to be voted
14 on, in the following words: "Legalizing pari-mutuel
15 wagering on horse races in _____ County" or
16 "Legalizing pari-mutuel wagering on greyhound races in
17 _____ County," as appropriate;

18 (3) a statement immediately above the
19 signatures of the applicants, reading as follows: "It
20 is the hope, purpose, and intent of the applicants
21 whose signatures appear below that pari-mutuel
22 wagering on horse races be legalized in _____
23 County" or "It is the hope, purpose, and intent of the
24 applicants whose signatures appear below that
25 pari-mutuel wagering on greyhound races be legalized
26 in _____ County," as appropriate; and

27 (4) the printed name, signature, residence
28 address, and voter registration certificate number of
29 each applicant.

30 Revised Law

31 Sec. 2035.006. CONTENTS OF PETITION. To be valid, the
32 petition must contain:

33 (1) a heading, as follows: "Petition for a Local
34 Option Election to Approve the Legalization of Pari-mutuel Wagering
35 on Horse Races" or "Petition for a Local Option Election to Approve
36 the Legalization of Pari-mutuel Wagering on Greyhound Races," as
37 appropriate;

38 (2) a statement of the issue to be voted on, in the
39 same words used in the application;

40 (3) a statement immediately above the signatures of
41 the petitioners, as follows: "It is the hope, purpose, and intent
42 of the petitioners whose signatures appear below that pari-mutuel
43 wagering on horse races be legalized in _____ County" or "It is
44 the hope, purpose, and intent of the petitioners whose signatures
45 appear below that pari-mutuel wagering on greyhound races be
46 legalized in _____ County," as appropriate;

1 (4) lines and spaces for the names, signatures,
2 addresses, and voter registration certificate numbers of the
3 petitioners; and

4 (5) the date of issuance, the serial number, and the
5 seal of the county clerk on each page. (V.A.C.S. Art. 179e, Sec.
6 16.05.)

7 Source Law

8 Sec. 16.05. To be valid, a petition must
9 contain:

10 (1) a heading, in the following words:
11 "Petition for a Local Option Election to Approve the
12 Legalization of Pari-mutuel Wagering on Horse Races"
13 or "Petition for a Local Option Election to Approve the
14 Legalization of Pari-mutuel Wagering on Greyhound
15 Races," as appropriate;

16 (2) a statement of the issue to be voted
17 on, in the same words used in the application;

18 (3) a statement immediately above the
19 signatures of the petitioners, reading as follows: "It
20 is the hope, purpose, and intent of the petitioners
21 whose signatures appear below that pari-mutuel
22 wagering on horse races be legalized in _____
23 County" or "It is the hope, purpose, and intent of the
24 petitioners whose signatures appear below that
25 pari-mutuel wagering on greyhound races be legalized
26 in _____ County," as appropriate;

27 (4) lines and spaces for the names,
28 signatures, addresses, and voter registration
29 certificate numbers of the petitioners; and

30 (5) the date of issuance, the serial
31 number, and the seal of the county clerk on each page.

32 Revised Law

33 Sec. 2035.007. COPIES. The county clerk shall keep the
34 application and a copy of the petition in the clerk's office files.
35 The clerk shall issue to the applicants the number of copies
36 requested by the applicants. (V.A.C.S. Art. 179e, Sec. 16.06.)

37 Source Law

38 Sec. 16.06. The county clerk shall keep the
39 application and a copy of the petition in the files of
40 that office. The clerk shall issue to the applicants
41 as many copies as they request.

42 Revised Law

43 Sec. 2035.008. REQUIREMENTS TO ORDER ELECTION. The
44 commissioners court shall order an election if the petition:

45 (1) is filed with the county clerk not later than the
46 30th day after the date of the petition's issuance; and

47 (2) contains a number of signatures of registered

1 county voters equal to at least five percent of the number of votes
2 cast in the county for all candidates for governor in the most
3 recent gubernatorial general election. (V.A.C.S. Art. 179e, Sec.
4 16.07.)

5 Source Law

6 Sec. 16.07. To form the basis for the ordering
7 of an election, the petition must be filed with the
8 county clerk not later than the 30th day after the date
9 of its issuance, and it must contain a number of
10 signatures of registered voters of the county equal to
11 five percent of the number of votes cast in the county
12 for all candidates for governor in the most recent
13 gubernatorial general election.

14 Revisor's Note

15 Section 16.07, V.A.C.S. Article 179e, requires
16 that the petition to order an election contain a number
17 of signatures of registered county voters "equal to
18 five percent" of the number of votes cast in the most
19 recent gubernatorial general election. The revised
20 law substitutes "equal to at least five percent" for
21 the quoted language because it is clear from the
22 context of Section 16.07 and Article 179e that a number
23 of signatures greater than five percent would satisfy
24 the petition requirements.

25 Revised Law

26 Sec. 2035.009. VERIFICATION OF PETITION. (a) Except as
27 otherwise provided by Section 277.003, Election Code, the county
28 clerk shall, on request of any person, check each name on the
29 petition to determine whether the signer is a registered county
30 voter.

31 (b) The person requesting this verification by the county
32 clerk shall pay the county clerk a sum equal to 20 cents per name
33 before commencement of the verification.

34 (c) The county clerk may not count a signature if there is
35 reason to believe that:

36 (1) the signature is not the actual signature of the
37 purported signer;

1 (2) the voter registration certificate number is
2 incorrect;

3 (3) the signature duplicates a name or handwriting
4 used in any other signature on the petition;

5 (4) the residence address of the signer is incorrect;
6 or

7 (5) the name of the voter is not signed exactly as the
8 name appears on the official copy of the current list of registered
9 voters for the voting year in which the petition is issued.
10 (V.A.C.S. Art. 179e, Sec. 16.08.)

11 Source Law

12 Sec. 16.08. (a) The county clerk shall, on
13 request of any person, check each name on the petition
14 to determine whether the signer is a registered voter
15 of the county. The person requesting this
16 verification by the county clerk shall pay the county
17 clerk a sum equal to 20 cents per name before
18 commencement of the verification.

19 (b) The county clerk may not count a signature
20 if there is reason to believe that:

21 (1) it is not the actual signature of the
22 purported signer;

23 (2) the voter registration certificate
24 number is not correct;

25 (3) it is a duplication either of a name or
26 of handwriting used in any other signature on the
27 petition;

28 (4) the residence address of the signer is
29 not correct; or

30 (5) the name of the voter is not signed
31 exactly as it appears on the official copy of the
32 current list of registered voters for the voting year
33 in which the petition is issued.

34 Revisor's Note

35 Section 16.08(a), V.A.C.S. Article 179e,
36 requires the county clerk to check each name on the
37 petition to determine whether the signer is a
38 registered county voter. Chapter 277, Election Code,
39 applies to Article 179e under Section 277.001 of that
40 code, and Section 277.003 of that code provides an
41 exception to the requirement to check each name on a
42 petition by allowing verification of signatures by
43 statistical sample if the petition contains more than
44 one thousand signatures. For the convenience of the

1 reader, the revised law provides a reference to that
2 exception.

3 Revised Law

4 Sec. 2035.010. CERTIFICATION OF PETITION SIGNATURES. Not
5 later than the 40th day after the date the petition is filed,
6 excluding Saturdays, Sundays, and legal holidays, the county clerk
7 shall certify to the commissioners court the number of registered
8 voters signing the petition. (V.A.C.S. Art. 179e, Sec. 16.09.)

9 Source Law

10 Sec. 16.09. Not later than the 40th day after
11 the date the petition is filed, excluding Saturdays,
12 Sundays, and legal holidays, the county clerk shall
13 certify to the commissioners court the number of
14 registered voters signing the petition.

15 Revised Law

16 Sec. 2035.011. RECORD IN MINUTES. The commissioners court
17 shall record in the court's minutes:

18 (1) the date the petition is filed; and

19 (2) the date the petition is certified by the county
20 clerk. (V.A.C.S. Art. 179e, Sec. 16.10(a).)

21 Source Law

22 Sec. 16.10. (a) The commissioners court shall
23 record on its minutes the date the petition is filed
24 and the date it is certified by the county clerk.

25 Revised Law

26 Sec. 2035.012. ORDER FOR ELECTION; ELECTION DATE. (a) If
27 the petition contains the required number of signatures and is in
28 proper order, the commissioners court shall, at the court's next
29 regular session after the certification by the county clerk, order
30 an election to be held at the regular polling place in each county
31 election precinct in the county on the next uniform election date
32 authorized by Section 41.001, Election Code, that occurs at least
33 20 days after the date of the order.

34 (b) The commissioners court shall state in the order the
35 issue to be voted on in the election. (V.A.C.S. Art. 179e, Sec.
36 16.10(b) (part).)

1 County," "Legalizing pari-mutuel wagering on
2 greyhound races in _____ County," or "Authorizing
3 pari-mutuel wagering on simulcast races in _____
4 County," as appropriate.

5 Revised Law

6 Sec. 2035.016. CERTIFICATION OF ELECTION RESULTS. If a
7 majority of the votes cast in the election favor the legalization of
8 pari-mutuel wagering on horse races or greyhound races in the
9 county, or the authorization of pari-mutuel wagering on simulcast
10 races in the county, as appropriate, the commissioners court shall
11 certify that fact to the secretary of state not later than the 10th
12 day after the date of the canvass of the returns. (V.A.C.S.
13 Art. 179e, Sec. 16.12(a).)

14 Source Law

15 Sec. 16.12. (a) If a majority of the votes cast
16 in the election are for the legalization of
17 pari-mutuel wagering on horse races or greyhound races
18 in the county, or for the authorization of pari-mutuel
19 wagering on simulcast races in the county, as
20 appropriate, the commissioners court shall certify
21 that fact to the secretary of state not later than the
22 10th day after the date of the canvass of the returns.

23 Revised Law

24 Sec. 2035.017. FREQUENCY OF ELECTIONS. Another election
25 may not be held in the county under this chapter before the fifth
26 anniversary of the preceding election date. (V.A.C.S. Art. 179e,
27 Sec. 16.12(b).)

28 Source Law

29 (b) No other election may be held in the county
30 under this Act until five years have elapsed since the
31 date of the preceding election.

32 SUBCHAPTER B. ELECTION CONTEST

33 Revised Law

34 Sec. 2035.051. INITIATION OF ELECTION CONTEST. Not later
35 than the 30th day after the date the result of the election is
36 declared, any qualified voter of the county may contest the
37 election by filing a petition in the district court of the county.
38 (V.A.C.S. Art. 179e, Sec. 16.13(a) (part).)

39 Source Law

40 Sec. 16.13. (a) Not later than the 30th day
41 after the date the result of the election is declared,

1 any qualified voter of the county may contest the
2 election by filing a petition in the district court of
3 the county. . . .

4 Revised Law

5 Sec. 2035.052. PARTIES. Any person who is licensed or who
6 has submitted to the commission an application to be licensed in any
7 capacity under this subtitle may become a named party to the contest
8 proceedings by pleading to the petition on or before the time set
9 for hearing and trial as provided by Section 2035.053(b) or after
10 that time by intervention on leave of court. (V.A.C.S. Art. 179e,
11 Sec. 16.13(a) (part).)

12 Source Law

13 (a) . . . Any person who is licensed or who has
14 made application to the commission to be licensed in
15 any capacity under this Act may become a named party to
16 the proceedings by pleading to the petition on or
17 before the time set for hearing and trial as provided
18 by Subsection (c) of this section or thereafter by
19 intervention on leave of court.

20 Revised Law

21 Sec. 2035.053. CONDUCT OF CONTEST SUIT. (a) The
22 proceedings in the contest suit shall be conducted in the manner
23 prescribed by Title 14, Election Code, for contesting an election
24 held for a purpose other than the election of an officer.

25 (b) At or after the time for hearing and trial, the judge
26 shall hear and determine all questions of law and fact in the
27 proceedings and may enter orders for the proceedings that will
28 enable the judge to:

- 29 (1) try and determine the questions; and
30 (2) render a final judgment with the least possible
31 delay. (V.A.C.S. Art. 179e, Secs. 16.13(b) (part), (c).)

32 Source Law

33 (b) The proceedings in the suit shall be
34 conducted in the manner prescribed by Title 14,
35 Election Code, for contesting an election held for a
36 purpose other than the election of an officer or
37 officers. . . .

38 (c) At or after the time for hearing and trial,
39 the judge shall hear and determine all questions of law
40 and fact in the proceedings and may enter orders as to
41 the proceedings that will enable the judge to try and
42 determine the questions and to render a final judgment
43 with the least possible delay.

1 Revisor's Note

2 (1) Section 16.13(b), V.A.C.S. Article 179e,
3 states that "[t]he proceedings in the suit shall be
4 conducted in the manner prescribed by Title 14,
5 Election Code, for contesting an election held for a
6 purpose other than the election of an officer or
7 officers." The revised law omits "or officers"
8 because under Section 311.012, Government Code (Code
9 Construction Act), the singular includes the plural,
10 and the plural includes the singular.

11 (2) Section 16.13(b), V.A.C.S. Article 179e,
12 states that unless Article 179e provides otherwise,
13 the applicable Texas Rules of Civil Procedure and all
14 applicable statutes govern a proceeding or appeal
15 under Article 179e. The revised law omits this
16 provision as unnecessary. The Texas Rules of Civil
17 Procedure by their own terms govern procedures in
18 justice, county, and district courts of this state,
19 and the Texas Rules of Appellate Procedure by their own
20 terms govern procedures in appellate courts or before
21 appellate judges, including in an action under the
22 revised law, and it is unnecessary to state that
23 expressly. If a specific provision in Article 179e is
24 an exception to the application of another statute, it
25 is not necessary to state the effect of the exception.
26 The omitted law reads:

27 (b) . . . Unless otherwise provided
28 by this Act, the applicable Texas Rules of
29 Civil Procedure and all applicable statutes
30 govern the proceedings and appeals held and
31 conducted under this Act.

32 Revised Law

33 Sec. 2035.054. BOND. (a) Before entry of a final judgment
34 in the contest proceedings, any party may move that the court
35 dismiss the contestant's action unless the contestant posts a bond
36 with sufficient surety, approved by the court, payable to the

1 movant for the payment of all damages and costs that may accrue as a
2 result of the delay caused by the contestant's continued
3 participation in the proceedings if the contestant fails to finally
4 prevail and obtain substantially the judgment prayed for in the
5 petition.

6 (b) If a motion is made under this section, the court shall
7 issue an order directed to the contestant that:

8 (1) is served personally or by registered mail on all
9 parties, or on their attorneys of record, together with a copy of
10 the motion; and

11 (2) requires the contestant to:

12 (A) appear at the time and place, not sooner than
13 five days and not later than 10 days after the receipt of the order
14 and motion, as the court may direct; and

15 (B) show cause why the motion should not be
16 granted.

17 (c) Motions involving more than one contestant may be heard
18 together at the court's direction.

19 (d) Unless at the hearing on the motion the contestant
20 establishes facts that in the court's judgment would entitle the
21 contestant to a temporary injunction against issuance of the
22 license based on the election in question, the court shall:

23 (1) grant the movant's motion; and

24 (2) in the court's order, subject to Subsection (e),
25 set the bond to be posted by the contestant in an amount the court
26 finds to be sufficient to cover all damages and costs that may
27 accrue as described by Subsection (a).

28 (e) The maximum bond that the court may set is:

29 (1) \$100,000 for an election contest for a racetrack
30 to be located in a county that has a population of 1.3 million or
31 more and in which a municipality with a population of more than one
32 million is primarily located; or

33 (2) \$10,000 for an election contest for a racetrack to
34 be located in any other county. (V.A.C.S. Art. 179e, Sec. 16.14.)

1 matter, except habeas corpus. The appellate court shall render its
2 final order or judgment with the least possible delay.

3 (e) The contestee or the county may not be required to give
4 bond on appeal. (V.A.C.S. Art. 179e, Secs. 16.15 (part), 16.17(b)
5 (part).)

6 Source Law

7 Sec. 16.15. Any party to the cause who is
8 dissatisfied with an order or judgment entered under
9 Section 16.13 of this Act may appeal to the appropriate
10 court of appeals after the entry of the order or
11 judgment; otherwise the order or judgment becomes
12 final. If such a party does not file an appeal not
13 later than the 30th day after the date on which the
14 result of the election is declared, it is presumed that
15 the election is valid. Any appeal has priority over
16 all other cases, causes, or matters pending in the
17 court of appeals, except habeas corpus, and the court
18 of appeals shall assure the priority and act on the
19 matter and render its final order or judgment with the
20 least possible delay. The supreme court may review
21 . . . the review has priority over all other cases,
22 causes, or matters pending in the supreme court,
23 except habeas corpus, and the supreme court shall
24 assure the priority and review and act on the matter
25 and render its final order or judgment with the least
26 possible delay.

27 [Sec. 16.17]

28 (b) [Costs of the election contest may not be
29 adjudged against the contestee or against the county,
30 and] neither may be required to give bond on appeal.

31 Revisor's Note

32 (1) Section 16.15, V.A.C.S. Article 179e,
33 refers to "cases, causes, or matters pending" in a
34 court of appeals and in the supreme court. The
35 references to "cases" and "causes" are omitted from
36 the revised law as unnecessary because the meaning of
37 those terms in context is included within the meaning
38 of "matters."

39 (2) Section 16.15, V.A.C.S. Article 179e,
40 includes language relating to the authority of the
41 Texas Supreme Court to review a court of appeals order
42 or judgment. The revised law omits that language as
43 unnecessary because appellate jurisdiction over
44 questions of law arising from cases brought to a court
45 of appeals from an appealable judgment of a trial court

1 is vested in the supreme court by Section 22.001(a),
2 Government Code. The omitted law reads:

3 Sec. 16.15. . . . [The supreme court
4 may review] by writ of error or other
5 authorized procedure all questions of law
6 arising out of the orders and judgments of
7 the court of appeals in the manner, time,
8 and form applicable in other civil causes in
9 which a decision of the court of appeals is
10 not final, but

11 Revised Law

12 Sec. 2035.056. CONTESTEE. The county attorney is the
13 contestee of a suit brought under Section 2035.051. If there is not
14 a county attorney of the county, the criminal district attorney or
15 district attorney is the contestee. (V.A.C.S. Art. 179e, Sec.
16 16.17(a).)

17 Source Law

18 Sec. 16.17. (a) The county attorney is the
19 contestee of a suit brought under Section 16.13 of this
20 Act. If there is no county attorney of the county,
21 then the criminal district attorney or district
22 attorney is the contestee.

23 Revised Law

24 Sec. 2035.057. COSTS OF CONTEST. Costs of the election
25 contest may not be adjudged against the contestee or county.
26 (V.A.C.S. Art. 179e, Sec. 16.17(b) (part).)

27 Source Law

28 (b) Costs of the election contest may not be
29 adjudged against the contestee or against the county,
30 and

31 SUBCHAPTER C. RESCISSION ELECTION

32 Revised Law

33 Sec. 2035.101. INITIATION OF RESCISSION ELECTION. (a) The
34 commissioners court of a county that has approved the legalization
35 of racing with pari-mutuel wagering in that county may hold an
36 election on the question of rescinding that approval.

37 (b) The commissioners court shall order the rescission
38 election on the presentation of a petition requesting the election.
39 (V.A.C.S. Art. 179e, Sec. 16.18(a) (part).)

1 . . .

2 Revised Law

3 Sec. 2035.105. BALLOT PROPOSITION. The ballots for an
4 election under this subchapter shall be printed to permit voting
5 for or against the proposition: "Rescinding the legalization of
6 pari-mutuel wagering on horse races in _____ County" or
7 "Rescinding the legalization of pari-mutuel wagering on greyhound
8 races in _____ County," as appropriate. (V.A.C.S. Art. 179e,
9 Sec. 16.18(a) (part).)

10 Source Law

11 (a) . . . The ballots shall be printed to
12 permit voting for or against the proposition:
13 "Rescinding the legalization of pari-mutuel wagering
14 on horse races in _____ County" or "Rescinding
15 the legalization of pari-mutuel wagering on greyhound
16 races in _____ County," as appropriate.

17 Revised Law

18 Sec. 2035.106. EFFECT OF RESCISSION. (a) If the majority
19 of the votes cast in an election under this subchapter favor the
20 rescission, racing with pari-mutuel wagering may not be conducted
21 in that county except as provided by Subsection (b).

22 (b) A racetrack association located in a county that elects
23 to rescind the legalization of racing and that has outstanding
24 long-term liabilities may continue to operate on a temporary basis
25 as provided by Section 2021.008. (V.A.C.S. Art. 179e, Secs.
26 16.18(b), (c).)

27 Source Law

28 (b) If the majority of the votes cast in an
29 election under this section favor the rescission,
30 racing with pari-mutuel wagering may not be conducted
31 in that county except as provided by Subsection (c) of
32 this section.

33 (c) An association located in a county that
34 elects to rescind the legalization of racing and that
35 has outstanding long-term liabilities may continue to
36 operate on a temporary basis as provided by Section
37 18.01 of this Act.

38 Revisor's Note

39 Section 16.18(c), V.A.C.S. Article 179e, refers
40 to an "association," meaning the term defined by
41 Section 1.03(2), V.A.C.S. Article 179e, revised in

1 this subtitle as Section 2021.003(42), Occupations
2 Code. The revised law substitutes "racetrack
3 association" as the defined term for the reasons
4 stated in Revisor's Note (20) to Section 2021.003.

1 APPENDIX A

2 CONFORMING AMENDMENTS

3 SECTION 2.01. Section 102.07(f), Alcoholic Beverage Code,
4 is amended to read as follows:

5 (f) Notwithstanding Subsection (a) of this section, Section
6 108.05 [~~of this code~~], or any other provision of this code, a holder
7 of a brewer's permit, nonresident brewer's permit, distiller's and
8 rectifier's permit, winery permit, nonresident seller's permit,
9 manufacturer's license, or nonresident manufacturer's license may,
10 in order to promote the brand name of the permittee's or licensee's
11 products, contract with a person licensed under Subtitle A-1, Title
12 13, Occupations Code (~~[the] Texas Racing Act [(Article 179e,~~
13 ~~Vernon's Texas Civil Statutes)]~~), for on-site advertising signs, for
14 advertising in programs, and to supplement purses for races even
15 though the licensees under that subtitle [~~Act~~] or the owners or
16 operators of the racing facilities also hold a mixed beverage
17 permit or other permit or license under this code. In addition, a
18 permittee or licensee described by this subsection may contract for
19 off-site advertising promoting specific races. A part of the cost
20 of an advertisement or promotion authorized by this section may not
21 be charged to or paid, directly or indirectly, by the holder of a
22 wholesale permit, general class B wholesaler's permit, local class
23 B wholesaler's permit, local distributor's permit, general
24 distributor's license, or local distributor's license, except
25 through the price paid by that holder for products purchased from
26 the holder's supplier.

27 SECTION 2.02. Section 153.555, Business Organizations
28 Code, is amended to read as follows:

29 Sec. 153.555. PERMITTED TRANSFER IN CONNECTION WITH
30 RACETRACK LICENSE. The following transfer relating to a limited
31 partnership is not a prohibited transfer that violates Section
32 2025.107(a), Occupations Code [~~6.12(a), Texas Racing Act (Article~~
33 ~~179e, Vernon's Texas Civil Statutes)]~~]:

34 (1) a transfer by a general partnership of its assets

1 to a limited partnership, the corporate general partner of which is
2 controlled by the partners of the general partnership; or

3 (2) a transfer by a limited partnership of the
4 beneficial use of or interest in any of its rights, privileges, or
5 assets to a local development corporation incorporated before
6 January 31, 1993, under Subchapter D, Chapter 431, Transportation
7 Code.

8 SECTION 2.03. Section 88.522(c), Education Code, is amended
9 to read as follows:

10 (c) The comptroller shall periodically transfer the amounts
11 specified by Sections 2028.103(a) [~~6.08(f)~~] and 2028.105(a) [~~(h)~~],
12 Occupations Code [~~Texas Racing Act (Article 179e, Vernon's Texas~~
13 ~~Civil Statutes)~~], to the account.

14 SECTION 2.04. Section 411.096(a), Government Code, is
15 amended to read as follows:

16 (a) The Texas Racing Commission is entitled to obtain from
17 the department criminal history record information maintained by
18 the department that pertains to a person who is:

- 19 (1) appointed to the commission;
20 (2) an applicant for employment by the commission; or
21 (3) an applicant for a license under Subtitle A-1,
22 Title 13, Occupations Code (~~[the]~~ Texas Racing Act [~~(Article 179e,~~
23 ~~Vernon's Texas Civil Statutes)~~]).

24 SECTION 2.05. Section 751.0021(a), Health and Safety Code,
25 is amended to read as follows:

26 (a) This chapter applies to a horse or greyhound race that
27 attracts or is expected to attract at least 100 persons, except that
28 this chapter does not apply if the race is held at a location at
29 which pari-mutuel wagering is authorized under Subtitle A-1, Title
30 13, Occupations Code (~~[the]~~ Texas Racing Act [~~(Article 179e,~~
31 ~~Vernon's Texas Civil Statutes)~~]).

32 SECTION 2.06. Section 802.003(c), Occupations Code, is
33 amended to read as follows:

34 (c) This chapter does not apply to an animal regulated under

1 Subtitle A-1, Title 13 (~~[the] Texas Racing Act [(Article 179e,~~
2 ~~Vernon's Texas Civil Statutes)]~~).

3 SECTION 2.07. Section 46.01(15), Penal Code, is amended to
4 read as follows:

5 (15) "Racetrack" has the meaning assigned that term by
6 Section 2021.003(41), Occupations Code [~~the Texas Racing Act~~
7 ~~(Article 179e, Vernon's Texas Civil Statutes)]~~].

8 SECTION 2.08. Section 47.02(c), Penal Code, is amended to
9 read as follows:

10 (c) It is a defense to prosecution under this section that
11 the actor reasonably believed that the conduct:

12 (1) was permitted under Chapter 2001, Occupations
13 Code;

14 (2) was permitted under Chapter 2002, Occupations
15 Code;

16 (3) was permitted under Chapter 2004, Occupations
17 Code;

18 (4) consisted entirely of participation in the state
19 lottery authorized by the State Lottery Act (Chapter 466,
20 Government Code);

21 (5) was permitted under Subtitle A-1, Title 13,
22 Occupations Code (~~[the] Texas Racing Act [(Article 179e, Vernon's~~
23 ~~Texas Civil Statutes)]~~); or

24 (6) consisted entirely of participation in a drawing
25 for the opportunity to participate in a hunting, fishing, or other
26 recreational event conducted by the Parks and Wildlife Department.

27 SECTION 2.09. Section 47.05(b), Penal Code, is amended to
28 read as follows:

29 (b) It is an exception to the application of Subsection (a)
30 that the information communicated is intended for use in placing a
31 lawful wager under Chapter 2027, Occupations Code [~~Article 11,~~
32 ~~Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes)]~~,
33 and is not communicated in violation of Section 2033.013,
34 Occupations Code [~~14.01 of that Act~~].

1 SECTION 2.10. Section 47.09(a), Penal Code, is amended to
2 read as follows:

3 (a) It is a defense to prosecution under this chapter that
4 the conduct:

5 (1) was authorized under:

6 (A) Chapter 2001, Occupations Code;

7 (B) Chapter 2002, Occupations Code;

8 (C) Chapter 2004, Occupations Code; or

9 (D) Subtitle A-1, Title 13, Occupations Code

10 ~~([the] Texas Racing Act [~~Article 179e, Vernon's Texas Civil~~~~
11 ~~Statutes])~~);

12 (2) consisted entirely of participation in the state
13 lottery authorized by Chapter 466, Government Code; or

14 (3) was a necessary incident to the operation of the
15 state lottery and was directly or indirectly authorized by:

16 (A) Chapter 466, Government Code;

17 (B) the lottery division of the Texas Lottery
18 Commission;

19 (C) the Texas Lottery Commission; or

20 (D) the director of the lottery division of the
21 Texas Lottery Commission.

22 SECTION 2.11. Section 11.23(h), Tax Code, is amended to
23 read as follows:

24 (h) County Fair Associations. A county fair association
25 organized to hold agricultural fairs and encourage agricultural
26 pursuits is entitled to an exemption from taxation of the land and
27 buildings that it owns and uses to hold agricultural fairs. An
28 association that holds a license issued after January 1, 2001,
29 under Subtitle A-1, Title 13, Occupations Code (~~[the]~~ Texas Racing
30 Act [~~Article 179e, Vernon's Texas Civil Statutes~~]), to conduct a
31 horse race meeting or a greyhound race meeting with pari-mutuel
32 wagering is not entitled to an exemption under this subsection.
33 Land or a building used to conduct a horse race meeting or a
34 greyhound race meeting with pari-mutuel wagering under a license

1 issued after January 1, 2001, under that subtitle [Act] may not be
2 exempted under this subsection. To qualify for an exemption under
3 this subsection, a county fair association must:

4 (1) be a nonprofit corporation governed by Chapter 22,
5 Business Organizations Code [~~as defined by the Texas Non-Profit~~
6 ~~Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil~~
7 ~~Statutes)];~~

8 (2) be exempt from federal income taxes as an
9 organization described by Section 501(c)(3), (4), or (5), Internal
10 Revenue Code of 1986 [~~as amended~~];

11 (3) qualify for an exemption from the franchise tax
12 under Section 171.060; and

13 (4) meet the requirements of a charitable organization
14 provided by Sections 11.18(e) and (f), for which purpose the
15 functions for which the association is organized are considered to
16 be charitable functions.

17 SECTION 2.12. Section 151.0035, Tax Code, is amended to
18 read as follows:

19 Sec. 151.0035. "DATA PROCESSING SERVICE". "Data processing
20 service" includes word processing, data entry, data retrieval, data
21 search, information compilation, payroll and business accounting
22 data production, the performance of a totalisator service with the
23 use of computational equipment required by Subtitle A-1, Title 13,
24 Occupations Code (~~[the] Texas Racing Act [(Article 179e, Vernon's~~
25 ~~Texas Civil Statutes)]), and other computerized data and information
26 storage or manipulation. "Data processing service" also includes
27 the use of a computer or computer time for data processing whether
28 the processing is performed by the provider of the computer or
29 computer time or by the purchaser or other beneficiary of the
30 service. "Data processing service" does not include the
31 transcription of medical dictation by a medical transcriptionist.
32 "Data storage," as used in this section, does not include a
33 classified advertisement, banner advertisement, vertical
34 advertisement, or link when the item is displayed on an Internet~~

1 website owned by another person.

2 SECTION 3.01. The following provisions of the Texas Racing
3 Act (Article 179e, Vernon's Texas Civil Statutes) are repealed:

4 (1) Articles 1, 2, 3, 4, 5, 7, 8, 9, 9A, 10, 11, 12, 13,
5 14, 15, 16, and 18; and

6 (2) Sections 6.01, 6.02, 6.03, 6.031, 6.032, 6.04,
7 6.06, 6.0601, 6.0602, 6.0603, 6.061, 6.062, 6.063, 6.07, 6.08,
8 6.09, 6.091, 6.092, 6.093, 6.10, 6.11, 6.12, 6.13, 6.14, 6.15,
9 6.16, 6.17, and 6.18.

10 SECTION 4.01. LEGISLATIVE INTENT OF NO SUBSTANTIVE CHANGE.
11 This Act is enacted under Section 43, Article III, Texas
12 Constitution. This Act is intended as a recodification only, and no
13 substantive change in law is intended by this Act.

14 SECTION 4.02. EFFECTIVE DATE. This Act takes effect April
15 1, 2019.

1 APPENDIX B

2 CHAPTER 311. CODE CONSTRUCTION ACT

3 (current as of end of 85th Legislature, 1st Called Session, 2017)

4 SUBCHAPTER A. GENERAL PROVISIONS

5 Sec. 311.001. SHORT TITLE. This chapter may be cited as the
6 Code Construction Act.

7 Sec. 311.002. APPLICATION. This chapter applies to:

8 (1) each code enacted by the 60th or a subsequent
9 legislature as part of the state's continuing statutory revision
10 program;

11 (2) each amendment, repeal, revision, and reenactment
12 of a code or code provision by the 60th or a subsequent legislature;

13 (3) each repeal of a statute by a code; and

14 (4) each rule adopted under a code.

15 Sec. 311.003. RULES NOT EXCLUSIVE. The rules provided in
16 this chapter are not exclusive but are meant to describe and clarify
17 common situations in order to guide the preparation and
18 construction of codes.

19 Sec. 311.004. CITATION OF CODES. A code may be cited by its
20 name preceded by the specific part concerned. Examples of
21 citations are:

22 (1) Title 1, Business & Commerce Code;

23 (2) Chapter 5, Business & Commerce Code;

24 (3) Section 9.304, Business & Commerce Code;

25 (4) Section 15.06(a), Business & Commerce Code; and

26 (5) Section 17.18(b)(1)(B)(ii), Business & Commerce
27 Code.

28 Sec. 311.005. GENERAL DEFINITIONS. The following
29 definitions apply unless the statute or context in which the word or
30 phrase is used requires a different definition:

31 (1) "Oath" includes affirmation.

32 (2) "Person" includes corporation, organization,
33 government or governmental subdivision or agency, business trust,
34 estate, trust, partnership, association, and any other legal

1 entity.

2 (3) "Population" means the population shown by the
3 most recent federal decennial census.

4 (4) "Property" means real and personal property.

5 (5) "Rule" includes regulation.

6 (6) "Signed" includes any symbol executed or adopted
7 by a person with present intention to authenticate a writing.

8 (7) "State," when referring to a part of the United
9 States, includes any state, district, commonwealth, territory, and
10 insular possession of the United States and any area subject to the
11 legislative authority of the United States of America.

12 (8) "Swear" includes affirm.

13 (9) "United States" includes a department, bureau, or
14 other agency of the United States of America.

15 (10) "Week" means seven consecutive days.

16 (11) "Written" includes any representation of words,
17 letters, symbols, or figures.

18 (12) "Year" means 12 consecutive months.

19 (13) "Includes" and "including" are terms of
20 enlargement and not of limitation or exclusive enumeration, and use
21 of the terms does not create a presumption that components not
22 expressed are excluded.

23 Sec. 311.006. INTERNAL REFERENCES. In a code:

24 (1) a reference to a title, chapter, or section
25 without further identification is a reference to a title, chapter,
26 or section of the code; and

27 (2) a reference to a subtitle, subchapter, subsection,
28 subdivision, paragraph, or other numbered or lettered unit without
29 further identification is a reference to a unit of the next larger
30 unit of the code in which the reference appears.

31 SUBCHAPTER B. CONSTRUCTION OF WORDS AND PHRASES

32 Sec. 311.011. COMMON AND TECHNICAL USAGE OF WORDS. (a)
33 Words and phrases shall be read in context and construed according
34 to the rules of grammar and common usage.

1 (b) Words and phrases that have acquired a technical or
2 particular meaning, whether by legislative definition or
3 otherwise, shall be construed accordingly.

4 Sec. 311.012. TENSE, NUMBER, AND GENDER. (a) Words in the
5 present tense include the future tense.

6 (b) The singular includes the plural and the plural includes
7 the singular.

8 (c) Words of one gender include the other genders.

9 Sec. 311.013. AUTHORITY AND QUORUM OF PUBLIC BODY. (a) A
10 grant of authority to three or more persons as a public body confers
11 the authority on a majority of the number of members fixed by
12 statute.

13 (b) A quorum of a public body is a majority of the number of
14 members fixed by statute.

15 Sec. 311.014. COMPUTATION OF TIME. (a) In computing a
16 period of days, the first day is excluded and the last day is
17 included.

18 (b) If the last day of any period is a Saturday, Sunday, or
19 legal holiday, the period is extended to include the next day that
20 is not a Saturday, Sunday, or legal holiday.

21 (c) If a number of months is to be computed by counting the
22 months from a particular day, the period ends on the same numerical
23 day in the concluding month as the day of the month from which the
24 computation is begun, unless there are not that many days in the
25 concluding month, in which case the period ends on the last day of
26 that month.

27 Sec. 311.015. REFERENCE TO A SERIES. If a statute refers to
28 a series of numbers or letters, the first and last numbers or
29 letters are included.

30 Sec. 311.016. "MAY," "SHALL," "MUST," ETC. The following
31 constructions apply unless the context in which the word or phrase
32 appears necessarily requires a different construction or unless a
33 different construction is expressly provided by statute:

34 (1) "May" creates discretionary authority or grants

1 permission or a power.

2 (2) "Shall" imposes a duty.

3 (3) "Must" creates or recognizes a condition
4 precedent.

5 (4) "Is entitled to" creates or recognizes a right.

6 (5) "May not" imposes a prohibition and is synonymous
7 with "shall not."

8 (6) "Is not entitled to" negates a right.

9 (7) "Is not required to" negates a duty or condition
10 precedent.

11 SUBCHAPTER C. CONSTRUCTION OF STATUTES

12 Sec. 311.021. INTENTION IN ENACTMENT OF STATUTES. In
13 enacting a statute, it is presumed that:

14 (1) compliance with the constitutions of this state
15 and the United States is intended;

16 (2) the entire statute is intended to be effective;

17 (3) a just and reasonable result is intended;

18 (4) a result feasible of execution is intended; and

19 (5) public interest is favored over any private
20 interest.

21 Sec. 311.022. PROSPECTIVE OPERATION OF STATUTES. A statute
22 is presumed to be prospective in its operation unless expressly
23 made retrospective.

24 Sec. 311.023. STATUTE CONSTRUCTION AIDS. In construing a
25 statute, whether or not the statute is considered ambiguous on its
26 face, a court may consider among other matters the:

27 (1) object sought to be attained;

28 (2) circumstances under which the statute was enacted;

29 (3) legislative history;

30 (4) common law or former statutory provisions,
31 including laws on the same or similar subjects;

32 (5) consequences of a particular construction;

33 (6) administrative construction of the statute; and

34 (7) title (caption), preamble, and emergency

1 provision.

2 Sec. 311.024. HEADINGS. The heading of a title, subtitle,
3 chapter, subchapter, or section does not limit or expand the
4 meaning of a statute.

5 Sec. 311.025. IRRECONCILABLE STATUTES AND AMENDMENTS. (a)
6 Except as provided by Section 311.031(d), if statutes enacted at
7 the same or different sessions of the legislature are
8 irreconcilable, the statute latest in date of enactment prevails.

9 (b) Except as provided by Section 311.031(d), if amendments
10 to the same statute are enacted at the same session of the
11 legislature, one amendment without reference to another, the
12 amendments shall be harmonized, if possible, so that effect may be
13 given to each. If the amendments are irreconcilable, the latest in
14 date of enactment prevails.

15 (c) In determining whether amendments are irreconcilable,
16 text that is reenacted because of the requirement of Article III,
17 Section 36, of the Texas Constitution is not considered to be
18 irreconcilable with additions or omissions in the same text made by
19 another amendment. Unless clearly indicated to the contrary, an
20 amendment that reenacts text in compliance with that constitutional
21 requirement does not indicate legislative intent that the reenacted
22 text prevail over changes in the same text made by another
23 amendment, regardless of the relative dates of enactment.

24 (d) In this section, the date of enactment is the date on
25 which the last legislative vote is taken on the bill enacting the
26 statute.

27 (e) If the journals or other legislative records fail to
28 disclose which of two or more bills in conflict is latest in date of
29 enactment, the date of enactment of the respective bills is
30 considered to be, in order of priority:

31 (1) the date on which the last presiding officer
32 signed the bill;

33 (2) the date on which the governor signed the bill; or

34 (3) the date on which the bill became law by operation

1 of law.

2 Sec. 311.026. SPECIAL OR LOCAL PROVISION PREVAILS OVER
3 GENERAL. (a) If a general provision conflicts with a special or
4 local provision, the provisions shall be construed, if possible, so
5 that effect is given to both.

6 (b) If the conflict between the general provision and the
7 special or local provision is irreconcilable, the special or local
8 provision prevails as an exception to the general provision, unless
9 the general provision is the later enactment and the manifest
10 intent is that the general provision prevail.

11 Sec. 311.027. STATUTORY REFERENCES. Unless expressly
12 provided otherwise, a reference to any portion of a statute or rule
13 applies to all reenactments, revisions, or amendments of the
14 statute or rule.

15 Sec. 311.028. UNIFORM CONSTRUCTION OF UNIFORM ACTS. A
16 uniform act included in a code shall be construed to effect its
17 general purpose to make uniform the law of those states that enact
18 it.

19 Sec. 311.029. ENROLLED BILL CONTROLS. If the language of
20 the enrolled bill version of a statute conflicts with the language
21 of any subsequent printing or reprinting of the statute, the
22 language of the enrolled bill version controls.

23 Sec. 311.030. REPEAL OF REPEALING STATUTE. The repeal of a
24 repealing statute does not revive the statute originally repealed
25 nor impair the effect of any saving provision in it.

26 Sec. 311.031. SAVING PROVISIONS. (a) Except as provided by
27 Subsection (b), the reenactment, revision, amendment, or repeal of
28 a statute does not affect:

29 (1) the prior operation of the statute or any prior
30 action taken under it;

31 (2) any validation, cure, right, privilege,
32 obligation, or liability previously acquired, accrued, accorded,
33 or incurred under it;

34 (3) any violation of the statute or any penalty,

1 forfeiture, or punishment incurred under the statute before its
2 amendment or repeal; or

3 (4) any investigation, proceeding, or remedy
4 concerning any privilege, obligation, liability, penalty,
5 forfeiture, or punishment; and the investigation, proceeding, or
6 remedy may be instituted, continued, or enforced, and the penalty,
7 forfeiture, or punishment imposed, as if the statute had not been
8 repealed or amended.

9 (b) If the penalty, forfeiture, or punishment for any
10 offense is reduced by a reenactment, revision, or amendment of a
11 statute, the penalty, forfeiture, or punishment, if not already
12 imposed, shall be imposed according to the statute as amended.

13 (c) The repeal of a statute by a code does not affect an
14 amendment, revision, or reenactment of the statute by the same
15 legislature that enacted the code. The amendment, revision, or
16 reenactment is preserved and given effect as part of the code
17 provision that revised the statute so amended, revised, or
18 reenacted.

19 (d) If any provision of a code conflicts with a statute
20 enacted by the same legislature that enacted the code, the statute
21 controls.

22 Sec. 311.032. SEVERABILITY OF STATUTES. (a) If any statute
23 contains a provision for severability, that provision prevails in
24 interpreting that statute.

25 (b) If any statute contains a provision for
26 nonseverability, that provision prevails in interpreting that
27 statute.

28 (c) In a statute that does not contain a provision for
29 severability or nonseverability, if any provision of the statute or
30 its application to any person or circumstance is held invalid, the
31 invalidity does not affect other provisions or applications of the
32 statute that can be given effect without the invalid provision or
33 application, and to this end the provisions of the statute are
34 severable.

1 Sec. 311.034. WAIVER OF SOVEREIGN IMMUNITY. In order to
2 preserve the legislature's interest in managing state fiscal
3 matters through the appropriations process, a statute shall not be
4 construed as a waiver of sovereign immunity unless the waiver is
5 effected by clear and unambiguous language. In a statute, the use
6 of "person," as defined by Section 311.005 to include governmental
7 entities, does not indicate legislative intent to waive sovereign
8 immunity unless the context of the statute indicates no other
9 reasonable construction. Statutory prerequisites to a suit,
10 including the provision of notice, are jurisdictional requirements
11 in all suits against a governmental entity.

12 Sec. 311.035. CONSTRUCTION OF STATUTE OR RULE INVOLVING
13 CRIMINAL OFFENSE OR PENALTY. (a) In this section, "actor" and
14 "element of offense" have the meanings assigned by Section 1.07,
15 Penal Code.

16 (b) Except as provided by Subsection (c), a statute or rule
17 that creates or defines a criminal offense or penalty shall be
18 construed in favor of the actor if any part of the statute or rule is
19 ambiguous on its face or as applied to the case, including:

20 (1) an element of offense; or

21 (2) the penalty to be imposed.

22 (c) Subsection (b) does not apply to a criminal offense or
23 penalty under the Penal Code or under the Texas Controlled
24 Substances Act.

25 (d) The ambiguity of a part of a statute or rule to which
26 this section applies is a matter of law to be resolved by the judge.

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APPENDIX C
DISPOSITION TABLE
TEXAS RACING ACT
SUBTITLE A-1, TITLE 13
OCCUPATIONS CODE

V.A.C.S. Art. 179e		
Sec. 1.01		2021.001
Sec. 1.02		2021.002
Sec. 1.03 (part)		2021.003
(part)	RN	2021.003
(part)		2021.004
Sec. 2.01	RN	2022.014
Sec. 2.02		2022.001
Sec. 2.03(a) (part)		2022.002
(part)	RN	2022.002
(b)		2022.002
Sec. 2.04		2022.004
Sec. 2.05(a) (part)		2022.001
(part)		2022.004
(b)		2022.004
(c)		2022.057
(d)		2022.004
Sec. 2.06		2022.003
Sec. 2.071		2022.004
Sec. 2.073		2022.005
Sec. 2.074		2022.006
Sec. 2.08		2022.007
Sec. 2.09		2022.010
Sec. 2.10		2022.008
Sec. 2.11(a)		2022.009
(b)	RN	2022.009
(c)		2022.009
(d)		2022.014
Sec. 2.12(a) (part)		2022.051
(part)		2022.052
(a-1)	RN	2022.051
(b)		2022.052
(c)		2022.052
(d)		2022.052
Sec. 2.13		2022.051
Sec. 2.14		2022.012
Sec. 2.15(a)		2022.106
(b)		2022.103
(c)		2022.104
Sec. 2.16		2022.103
Sec. 2.18		2022.011
Sec. 2.19(a)		2022.054
(b)		2022.054
(c)		2022.055
(d)		2022.055
Sec. 2.20		2022.051
Sec. 2.21		2022.056
Sec. 2.22 (part)		2022.014
(part)	RN	2022.014
Sec. 2.23(a)		2022.101
(b)		2022.102
Sec. 2.24		2022.102
Sec. 2.25		2022.013
Sec. 3.02(a) (part)		2023.002
(part)		2023.004
(b)		2023.004
(c)		2023.004

1		(d)	2023.004
2		(e)	2023.004
3		(f)	2023.004
4		(g)	2023.001
5	Sec. 3.021	(a)	2023.001
6		(b)	2023.003
7		(c)	2023.003
8		(d)	2023.005
9	Sec. 3.03		2023.007
10	Sec. 3.04		2022.105
11	Sec. 3.05		2023.008
12	Sec. 3.06		2023.060
13	Sec. 3.07	(a)	2023.101
14		(part)	2023.103
15		(part)	2023.104
16		(part)	2023.105
17		(b)	2023.106
18		(part)	2023.107
19		(part)	2023.108
20		(c)	2023.102
21		(d)	2034.002
22		(part)	2034.003
23		(e)	2034.003
24		(f)	2034.003
25		(g)	2023.106
26	Sec. 3.08		2023.109
27	Sec. 3.09	(a)	2024.055
28		(b)	2023.053
29	Sec. 3.10		2023.061
30	Sec. 3.11		2023.056
31	Sec. 3.12		2023.055
32	Sec. 3.13		2023.051
33	Sec. 3.14		2033.151
34	Sec. 3.15		2033.152
35	Sec. 3.16	(a)	2034.001
36		(b)	2034.001
37		(c)	2034.006
38		(d)	2034.006
39		(e)	2034.005
40		(f)	2034.005
41		(g)	2034.005
42		(h)	2034.004
43		(i)	2034.001
44		(j)	2034.007
45	Sec. 3.17		2023.052
46	Sec. 3.18	(a)	2033.101
47		(b)	2033.101
48		(part)	2033.102
49		(c)	2033.102
50		(d)	2033.102
51		(e)	2033.103
52	Sec. 3.19	(a)	2033.104
53		(b)	2033.104
54		(c)	2033.105
55		(d)	2033.105
56		(e)	2033.105
57		(f)	2033.105
58	Sec. 3.20		2033.106
59	Sec. 3.21		2033.153
60	Sec. 3.22		2033.154
61	Sec. 4.01		2024.002
62	Sec. 4.02		2024.003
63	Sec. 4.03		2024.001
64	Sec. 4.04	(a)	2024.051
65		(b)	2024.052
66	Sec. 4.05	(a)	2024.053
67		(b)	2024.053
68		(part)	2033.056

1	Sec. 4.06	2024.054
2	Sec. 5.01(a)	2025.001
3	(b)	2025.001
4	(c)	2025.002
5	(d)	2025.001
6	Sec. 5.02	2023.009
7	Sec. 5.03	2025.003
8	Sec. 5.04	2023.057
9	Sec. 5.05	2023.058
10	Sec. 6.01	2025.051
11	Sec. 6.02(a)	2026.101
12	(b)	2026.102
13	(c)	2026.103
14	(d)	2026.104
15	(e)	2026.107
16	(f)	2026.107
17	(g)	2026.105
18	Sec. 6.03(a) (part)	2025.052
19	(part)	2025.053
20	(part)	2025.054
21	(part)	2026.151
22	(b)	2026.152
23	(part)	2025.055
24	(c)	2025.052
25	(d)	2025.053
26	(e)	2025.053
27	(f)	2025.052
28	(g)	2025.101
29	(h)	2025.101
30	(i)	2025.053
31	Sec. 6.031 (part)	2026.151
32	(part)	2025.056
33	Sec. 6.032	2025.057
34	Sec. 6.04(a)	2025.102
35	(a-1)	2025.058
36	(a-2)	2025.102
37	(c) (part)	2025.151
38	(part)	2025.152
39	(d)	2026.106
40	Sec. 6.06(a) (part)	2025.001
41	(part)	2025.201
42	(part)	2026.001
43	(b)	2025.201
44	(c)	2025.101
45	(d) (part)	2025.101
46	(part)	2026.002
47	(e)	2025.101
48	(f)	2025.201
49	(g)	2026.153
50	(h)	2025.101
51	(i)	2025.101
52	(j)	2025.101
53	(k)	2025.106
54	Sec. 6.0601	2025.104
55	Sec. 6.0602	2025.105
56	Sec. 6.0603	2025.202
57	Sec. 6.061	2026.007
58	Sec. 6.062	2026.008
59	Sec. 6.063(a)	2025.203
60	(b)	2025.203
61	(c)	2025.204
62	(d)	2025.204
63	(e)	2025.203
64	(f)	2025.205
65	Sec. 6.07	2026.006
66	Sec. 6.08(a)	2028.101
67	(b)	2028.102
68	(d)	2028.103

1	(e)	. . . . .	2028.104
2	(f)	. . . . .	2028.103
3	(g)	. . . . .	2028.103
4	(h)	. . . . .	2028.105
5	(i)	. . . . .	2028.105
6	(j)	. . . . .	2028.105
7	(k)	(part)	2028.105
8		(part)	2028.106
9	(l)	. . . . .	2028.106
10	(m)	. . . . .	2028.105
11	(n)	. . . . .	2028.107
12	Sec. 6.09(a)	. . . . .	2028.152
13		(c)	2028.153
14		(d)	2028.154
15		(e)	2028.151
16		(f)	2028.154
17	Sec. 6.091(a)	. . . . .	2028.202
18		(b)	RN 2028.206
19		(c)	2028.202
20		(d)	2028.202
21		(e)	(part) 2028.204
22		(part)	RN 2028.204
23		(f)	2028.205
24		(g)	2028.203
25		(h)	2028.202
26		(i)	2028.206
27		(j)	2028.201
28	Sec. 6.092(a)	. . . . .	2028.001
29		(b)	2028.001
30		(c)	2028.002
31		(d)	2028.002
32		(e)	2028.003
33	Sec. 6.093(a)	. . . . .	RN 2028.051
34		(b)	2028.051
35	Sec. 6.10	. . . . .	2024.101
36	Sec. 6.11	. . . . .	2028.155
37	Sec. 6.12	. . . . .	2025.107
38	Sec. 6.13	. . . . .	2026.003
39	Sec. 6.14(a)	. . . . .	2026.004
40		(b)	2025.151
41		(c)	2025.152
42		(d)	2026.005
43	Sec. 6.15	. . . . .	2025.103
44	Sec. 6.16	. . . . .	2022.058
45	Sec. 6.17(a)	. . . . .	2028.251
46		(b)	2028.252
47		(c)	2028.253
48		(d)	2028.254
49	Sec. 6.18	. . . . .	2025.108
50	Sec. 7.01(a)	. . . . .	2025.251
51		(b)	2025.251
52		(c)	2026.013
53	Sec. 7.02(b)	. . . . .	2025.252
54		(c)	2025.253
55		(d)	2025.253
56		(e)	2026.153
57	Sec. 7.03	. . . . .	2025.254
58	Sec. 7.04	. . . . .	2025.262
59	Sec. 7.05	. . . . .	2025.256
60	Sec. 7.06	. . . . .	2025.255
61	Sec. 7.07(a)	. . . . .	2025.257
62		(a-1)	2025.258
63		(b)	2025.257
64	Sec. 7.08	. . . . .	2025.259
65	Sec. 7.09	. . . . .	2025.260
66	Sec. 7.10	. . . . .	2025.261
67	Sec. 8.01	(part)	2029.001
68		(part)	2029.003

1	Sec. 8.02	2029.002
2	Sec. 9.01	2030.001
3	Sec. 9.02	2030.002
4	Sec. 9.03(a) (part)	2030.003
5	(part)	RN 2030.003
6	(part)	2030.004
7	(b) (part)	2030.002
8	(part)	2030.004
9	(c) (part)	2030.004
10	(part)	RN 2030.004
11	Sec. 9.04	2030.004
12	Sec. 9.05	2030.005
13	Sec. 9.06	2030.006
14	Sec. 9.07	2026.009
15	Sec. 9A.001(a)	2031.001
16	(b)	2031.002
17	(c)	2031.002
18	(d)	2031.002
19	(e)	2031.001
20	(f)	2031.001
21	Sec. 9A.002	2031.003
22	Sec. 9A.003	2031.004
23	Sec. 10.01 (part)	2029.051
24	(part)	2029.052
25	Sec. 10.02	2029.053
26	Sec. 10.03	2026.010
27	Sec. 10.04(a)	2030.051
28	(b)	2023.054
29	Sec. 10.05 (part)	2030.052
30	(part)	2030.053
31	Sec. 10.06	2026.010
32	Sec. 11.01(a) (part)	2027.001
33	(part)	2027.002
34	(a-1)	2022.053
35	(b)	2027.001
36	Sec. 11.011(a)	2027.051
37	(b)	2027.053
38	(c)	2027.053
39	(d)	2027.053
40	(e)	2027.053
41	(f)	2027.052
42	(g) (part)	2027.052
43	(part)	2027.054
44	(h)	2027.055
45	(i)	2027.055
46	(j)	2027.054
47	(k)	2027.055
48	(l) (part)	2027.056
49	(part)	RN 2027.056
50	(m)	2027.054
51	Sec. 11.02	2027.003
52	Sec. 11.03	2027.005
53	Sec. 11.04(a) (part)	2027.001
54	(part)	2027.002
55	(b)	2027.001
56	(c) (part)	2027.001
57	(part)	2027.004
58	(e)	2027.004
59	Sec. 11.05	2027.102
60	Sec. 11.06	2027.101
61	Sec. 11.07	2027.006
62	Sec. 11.09	RN 2027.102
63	Sec. 11.10	2026.011
64	Sec. 12.01	2032.001
65	Sec. 12.02	2032.003
66	Sec. 12.03	2032.002
67	Sec. 13.01	2026.051
68	Sec. 13.02(a)	2026.052

1		(b)	. . . . .	2026.052
2		(c)	(part)	2026.052
3			(part)	RN 2026.052
4		(d)	. . . . .	2026.052
5	Sec.	13.03	. . . . .	2026.054
6	Sec.	13.04	. . . . .	2026.053
7	Sec.	14.01	. . . . .	2033.013
8	Sec.	14.02	. . . . .	2033.006
9	Sec.	14.04	. . . . .	2033.009
10	Sec.	14.05	. . . . .	2033.008
11	Sec.	14.06	. . . . .	2033.012
12	Sec.	14.07	. . . . .	2033.010
13	Sec.	14.08	. . . . .	2033.011
14	Sec.	14.09	. . . . .	2033.005
15	Sec.	14.10	. . . . .	2033.015
16	Sec.	14.11	. . . . .	2033.014
17	Sec.	14.12	. . . . .	2033.016
18	Sec.	14.13	. . . . .	2033.017
19	Sec.	14.14	. . . . .	2033.002
20	Sec.	14.15	. . . . .	2033.003
21	Sec.	14.16	. . . . .	2033.004
22	Sec.	14.17	. . . . .	2033.007
23	Sec.	14.18	. . . . .	2033.018
24	Sec.	14.19	. . . . .	2033.019
25	Sec.	14.20	. . . . .	2033.021
26	Sec.	14.21	. . . . .	2033.020
27	Sec.	15.01	. . . . .	2033.001
28	Sec.	15.03(a)	. . . . .	2033.051
29		(b)	. . . . .	2033.052
30		(c)	. . . . .	2033.053
31		(d)	(part)	2033.054
32			(part)	2033.055
33		(e)	. . . . .	2033.056
34	Sec.	15.04	. . . . .	2033.057
35	Sec.	16.01(a)	(part)	2035.001
36			(part)	RN 2035.001
37		(b)	. . . . .	2035.001
38	Sec.	16.02	. . . . .	2035.002
39	Sec.	16.021	. . . . .	2035.003
40	Sec.	16.03	. . . . .	2035.004
41	Sec.	16.04	. . . . .	2035.005
42	Sec.	16.05	. . . . .	2035.006
43	Sec.	16.06	. . . . .	2035.007
44	Sec.	16.07	. . . . .	2035.008
45	Sec.	16.08	. . . . .	2035.009
46	Sec.	16.09	. . . . .	2035.010
47	Sec.	16.10(a)	. . . . .	2035.011
48		(b)	(part)	2035.012
49			(part)	2035.013
50	Sec.	16.11(a)	. . . . .	2035.014
51		(b)	. . . . .	2035.015
52	Sec.	16.12(a)	. . . . .	2035.016
53		(b)	. . . . .	2035.017
54	Sec.	16.13(a)	(part)	2035.051
55			(part)	2035.052
56		(b)	(part)	2035.053
57			(part)	RN 2035.053
58		(c)	. . . . .	2035.053
59	Sec.	16.14	. . . . .	2035.054
60	Sec.	16.15	(part)	2035.055
61			(part)	RN 2035.055
62	Sec.	16.16	. . . . .	2021.005
63	Sec.	16.17(a)	. . . . .	2035.056
64		(b)	(part)	2035.055
65			(part)	2035.057
66	Sec.	16.18(a)	(part)	2035.101
67			(part)	2035.102
68			(part)	2035.103

1		(part)	2035.104
2		(part)	2035.105
3		(b)	2035.106
4		(c)	2035.106
5	Sec. 18.01.	. . . . .	2021.008
6	Sec. 18.03.	. . . . .	2026.012
7	Sec. 18.04.	. . . . .	2021.005
8	Sec. 18.05.	. . . . .	2021.007
9	Sec. 18.06.	. . . . .	2021.006
10	Sec. 18.07.	. . . . .	2023.006
11	Sec. 18.08.	. . . . .	2023.059